# APPENDIX A. List of Key Participants

## APPENDIX A. List of Key Participants

Indiana's 2004 Consolidated Plan Update was a collaborative project. The Indiana Department of Commerce and the Indiana Housing Finance Authority were responsible for overseeing the coordination and development of the plan. The Indiana Family and Social Services Administration (FSSA) assisted in development of the Plan.

The Consolidated Plan Coordinating Committee included representatives from the organizations listed above as well as individuals from the Indiana Coalition on Housing and Homeless Issues (ICHHI), the Indiana Association for Community Economic Development (IACED), the Indiana Civil Rights Commission (ICRC), Rural Opportunities Inc. (ROI), The Indiana Institute on Disability and Community, and the U.S. Department of Housing and Urban Development (HUD). A list of the key people involved in the development of the plan follows.

Kelly Boe Amy Murphy-Nugen Paul Neumann Rosemary Carney Lori Dimick Deanna Oware John Dorgan Niles Parker **Greg Ellis Annette Phillips** Gary Hancock Erika Scott Michelle Kincaid Sheryl Sharpe Deborah McCarty Patrick Taylor

In addition to these key players in development of the Plan, more than 500 people participated in the planning process by responding to a community survey, attending regional public forums, or submitting written comments to the Consolidated Plan Coordinating Committee. A list of participants in the regional forums is attached; public comments are located in Appendix E. Their input was very welcome and their thoughts much appreciated.

### **Regional Forum Attendees**

### Seymour Forum (February 5, 2004)

Mark Lindenlaub Connie Munn

Housing Partnerships Inc. Housing Partnerships, Inc.

Julie BerryPenney BrownS.E. Indian Community and Pres. Dev.Human Services

Richard Clark Richard Lamborn
Human Services Qunico Beh Health Services

Dana L. Riddle Mindy Knox
Southeastern Indiana The Tribune

Southeastern Indiana Regional Planning Comm.

Bill Bailey Trena Carter

Seymour Chamber of Commerce ARA – City of Seymour

Marina Gill Amy Murphy-Nugen

Seymour Heritage Foundation Resident

Ellen K. Davis

Area 12 Council on Aging & Haden House Services

Community Services Inc.

Mark Stewart John Miller

South Central Community Action Program New Albany Floyd Co.

Maricia Hubbut Tracy Hutton

New Hope Success, Inc.

New Hope Services, Inc.

Jean Johnson Deb Bedwell

Seymour Housing Authority Anchor House Shelter

Karen Surface Ruth Ann Rebber SICIL Jackson County United Way

### Vicennes Forum (February 4, 2004)

K. Todd Neil lvgrs Weed & Seed, Si Hi Vincennes Housing

Rita Johnson Joel Sievers Wabash Valley Human Services Samaritan Center

Steve Bennett Jackee Evans Vizons LLC Attic, Inc.

Tracey Karrey Sue & Ed Hopkins

Hope of Evansville

Four Rivers Resource Services

Jenny Dearwester Audry Conlon

SIDC SIDC

Jeana Watheis Doris Wolfe
Southern Hills Counseling Center Bridges of Indiana

Mark Hunter Dane Phillips

Dorothy Lee Ronald Link

Bridges of Indiana

Dawn Aysom Attic, Inc.

### Auburn Forum (February 9, 2004)

Julie Hill-Lauer **Cheryl Grimes** 

Children First Center United Way of Dekalb Co.

DeWayne Nodine Doug Keenan Town of Waterloo Town of Waterloo Virginia Bryant Jacquelyn Dodyk

DCHFH Affordable Housing Corporation

Stephanie Moulton Susan Benro Affordable Housing Corporation **Taylor University** 

Todd Zeiger Rob Wenger Historic Landmarks Foundation of Indiana

Family Christian Development Center

Beth Donovan Michael Walter Member, Auburn City Council Northeastern Center

Janelle H. Graber Cathy Compton **Eckhart Public Library** Historic Landmarks Foundation of Indiana

Kendra Freeman Carol Ellinger Lehnsen & Associates **Purdue Extension** 

Bill Spohn Greg Zeak Dekalb COA BP&D, Auburn Wayne Bailey Pam Brookshire

Community Development Community Action of NE Indiana

Gregg Williamson Angie Bass Community Action of NE Indiana **Eckhart Public Library** 

Dave Kurtz Steve Bingham The Evening Star City of Garrett

Nona Leacherman Shirley J. Johnson

**RSVP** United Way of Noble County

Mary Vivian J. Likes City of Auburn USDA, Rural Development

Suzanne Handshoes Mayor - City of Kendalville

### Crawfordsville Forum (February 10, 2004)

Jim Huston Paul Pfledderov Cong. Buyer Cville Schools

George Chovancel Susan Hinerly Area IV IDOC- Region 5

Kris Ellingwood Matt Row
Twin Oaks Cong. Buyer

Lynda Carter-Alling Gherise Batl
Abilities Services Area Five Agency

Gilda Soathoff Steve Proctor

ROI Community Action Program Inc,

of Western Indiana

Dennis Cecil Lela Bunerdick National City Bank Area 10 Agency

Katie Griswold Rick Crawley

Area Five Agency Wabash Valley Hospital

Richard DeLiberty Patti Perkins
Cummins Mental Health Center Housing Authority

Ronda R. Amss Andy Sinclair
Key Consumer Org Mont. County Eco. Dev.

Carol Rankin Kandy Welchman Resident NHN of Clinton Co.

Steve Gooch Joanne Hammer Abilities Services Journal Review

Kathleen J. Steele Ann Borders

Crawfordsville Community Schools Cummins Mental Health Center

### Rensselaer Forum (February 12, 2004)

Stan Ludowicz Dwayne Williams
Southlake Center for Mental Health Town of Chesterton

Linda Thompson Jenn Whaley

St. Margaret Mercy Newton County Economic Development

Cathy TicenBill HannaWabash Valley HospitalCity of ValparaisoKim DentonTammy PowellCrisis CenterMiller Beach Terrace

Bob Franko Tom Isakson

Porter-Starke Services Christian Community Auction

Maria Micka Andy Dooley

Porter-Starke Services Habitat for Humanity of Indiana

Jeff Fox Sharron Liggins

Bank-One (Community Investment)

Drug Free Gary Coalition Continuum of Care

Lisa Malchow Mozell Haymon
Pulaski County Community Serenity House

Development Commission

Jim StatonPat FreelandJasper County Industrial FoundationP.A.T. Homes

Jim Adamson Cathy Porter
Jasper County Council Continuum of Care/DFGC

soper county countries can appear

Howard Conley Ken Purze Springfield Tap Laporte County, IN

Caroline Shook Sherri Hahn Housing Opportunities Resident

R. Bergan Christine Chapman

DMHA Tippecanoe County Grant Coordinator

AJ Monroe City of Portage

### Rushville Forum (February 16, 2004)

D.W. Sloan Debora Conley

Rush Co. ECDC RCAP

Mark Combs Gary Desuther CMHC CMHC

Tammy Scotter Jim McCormick

Dunn Mental Health Center Dunn Mental Health Center

Gerald Mohr Sandra Allen

Rush Co. Council / Com. Foundation Shelby Co. Step Ahead Council

Robert Bridges Ian Voiles

City of Rushville / Mayors Office Rushville Republican

Patricia Coons Bonnie Blades

Resident Union Co. Council on Aging and Aged, Inc.

Diann Bates Cathy Richardson

FSSA H&CS Dunn Mental Health Center

### **Public Hearing Attendees**

### Crawfordsville Public Hearing (April 19, 2004)

No Attendees		

### Greenwood Public Hearing (April 20, 2004)

Trena Carter	Nancy McCoskey
Gary Lynch	

## APPENDIX B. Consolidated Plan Certifications

### APPENDIX B. Consolidated Plan Certifications

This appendix contains the Consolidated Plan certifications and the Form SF-424, Application for Federal Assistance. Each certification and form has been signed by a representative of the agency responsible for administering the funding. The Indiana Department of Commerce administers CDBG funds; the Indiana Housing and Finance Authority administers HOME funds and HOPWA funds; and the Indiana Family and Social Services Administration administers ESG funds.

Certifications are available upon request:

State of Indiana Department of Commerce One North Capital Avenue, Suite 600 Indianapolis, IN 46204 (317) 232-8831

### STATE CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the State certifies that:

**Affirmatively Further Fair Housing --** The State will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the state, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential antidisplacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Drug Free Workplace -- It will or will continue to provide a drug-free workplace by:

- 1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- 2. Establishing an ongoing drug-free awareness program to inform employees about -
  - (a) The dangers of drug abuse in the workplace;
  - (b) The grantee's policy of maintaining a drug-free workplace;
  - (c) Any available drug counseling, rehabilitation, and employee assistance programs; and
  - (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- 3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;
- 4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will -
  - (a) Abide by the terms of the statement; and
  - (b) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
- 5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted -
  - (a) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

- (b) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- 7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.

Anti-Lobbying -- To the best of the State's knowledge and belief:

- No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
- 2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
- 3. It will require that the language of paragraphs 1 and 2 of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of State -- The submission of the consolidated plan is authorized under State law and the State possesses the legal authority to carry out the programs under the consolidated plan for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan -- The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.

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### **Specific CDBG Certifications**

The State certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR §91.115 and each unit of general local government that receives assistance from the State is or will be following a detailed citizen participation plan that satisfies the requirements of 24 CFR §570.486.

### Consultation with Local Governments -- It has or will comply with the following:

- 1. It has consulted with affected units of local government in the nonentitlement area of the State in determining the method of distribution of funding;
- 2. It engages in or will engage in planning for community development activities;
- 3. It provides or will provide technical assistance to units of local government in connection with community development programs; and
- 4. It will not refuse to distribute funds to any unit of general local government on the basis of the particular eligible activity selected by the unit of general local government to meet its community development needs, except that a State is not prevented from establishing priorities in distributing funding on the basis of the activities selected.
- **Local Needs Identification** It will require each unit of general local government to be funded to identify its community development and housing needs, including the needs of low-income and moderate-income families, and the activities to be undertaken to meet these needs.
- Community Development Plan -- Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objectives of Title I of the Housing and Community Development Act of 1974, as amended. (See 24 CFR 570.2 and 24 CFR part 570)

### Use of Funds -- It has complied with the following criteria:

- 1. <u>Maximum Feasible Priority</u>. With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available);
- 2. Overall Benefit. The aggregate use of CDBG funds including section 108 guaranteed loans during program year 2002 (a period specified by the grantee consisting of one, two, or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;

- 3. Special Assessments. The state will require units of general local government that receive CDBG funds to certify to the following:
- It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.
- However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.
- It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It will require units of general local government that receive CDBG funds to certify that they have adopted and are enforcing:

- 1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
- A policy of enforcing applicable State and local laws against physically barring entrance to or
  exit from a facility or location which is the subject of such non-violent civil rights
  demonstrations within its jurisdiction;

Compliance With Anti-discrimination laws — The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

Compliance with Laws -- It will comply with applicable laws.

Signature/Authorized Official Date

Title

Place of Performance (Street address, city, county, state, zip code)
Indiana Department of Commerce, One North Capitol Avenue, Suite 700, Indianapolis, IN 46204
Indiana Housing Finance Authority, 115 W. Washington Street, Suite 1350, Indianapolis, IN 46204
Family and Social Services Agency, 402 W. Washington Street, IGCSouth W386, Indianapolis, IN 46204

Check \_\_\_ if there are workplaces on file that are not identified here; The certification with regard to the drug-free workplace required by 24 CFR part 24, subpart F.

- 7. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:
- "Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C.812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);
- "Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;
- "Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;
- "Employee" means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All "direct charge" employees; (ii) all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and (iii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).

### **ESG Certifications**

- The State seeking funds under the Emergency Shelter Program (ESG) certifies that it will ensure that its recipients of ESG funds comply with the following requirements:
- Major rehabilitation/conversion -- In the case of major rehabilitation or conversion, it will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for at least 10 years. If the rehabilitation is not major, the recipient will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for at least 3 years.
- Essential Services -- Where the assistance involves essential services or maintenance, operation, insurance, utilities and furnishings, it will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure as long as the same general population is served.
- Renovation -- Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.
- Supportive Services -- It will assist homeless individuals in obtaining appropriate supportive services, including permanent housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living, and other Federal State, local, and private assistance for such individuals.
- Matching Funds -- It will obtain matching amounts required under 24 CFR §576.71.
- Confidentiality It will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project except with the written authorization of the person responsible for the operation of that shelter.
- Homeless Persons Involvement -- To the maximum extent practicable, it will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under this program, in providing services assisted through this program, and in providing services for occupants of such facilities.

Consolidated Plan -- It is following a current HUD-approved Consolidated Plan or CHAS.

Signature/Authorized Official Date

DIRECTOR, DEC/FSSA

Title

### APPENDIX TO CERTIFICATIONS

### INSTRUCTIONS CONCERNING LOBBYING AND DRUG-FREE WORKPLACE REQUIREMENTS:

### A. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

### B. Drug-Free Workplace Certification

- By signing and/or submitting this application or grant agreement, the grantee is providing the certification.
- 2. The certification is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HUD, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
- 3. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
- Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio stations).
- 5. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph three).
- 6. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

# APPENDIX C. Community Survey Instrument

## APPENDIX C. Community Survey Instrument

In January 2004, approximately 4,400 mail surveys were distributed to local government officials, community leaders, housing providers, economic development professionals, social service organizations, and others. The survey asked respondents a number of questions about housing and community development needs, including fair housing accessibility, in their communities. A total of 386 surveys were returned, for a response rate of about 9 percent.

Surveys were received from 86 of the 92 counties in Indiana. About 28 percent of the survey respondents represented local governments in the State, 9 percent were housing providers, 12 percent were social service providers, and the remaining respondents represented other types of organizations (e.g., advocacy, health care providers).

A copy of the survey follows.

### 2004 Indiana Consolidated Plan Update Survey

Please answer each question to the best of your ability. If a particular question does not apply to you, or if you do not have knowledge of the subject matter, skip the question. This survey should take you about 15 minutes to complete.

Res	pondent Info	rmation				
Name	/Organization (	optional)			City, County	
1.	Which of the	following service	categories best	describes you o	r your organization?	
	☐ Advocacy	/education			☐ Health care provider	
	☐ Affordabl	e housing provide	er		☐ Homeless shelter	
	Citizen				☐ Legal assistance	
	Day care (	(adult and child)			☐ Local government	
	☐ Economic	or community de	velopment		☐ Property manager	
	Employm	ent/training provi	der		☐ Senior center	
	☐ Financial	institution/lender			Senior housing provider	
	Group ho	me			☐ Social service provider	
					☐ Other	
2.	What is your	organization's ser	vice area?			
	☐ 1. City (_	please specify	2. Count	y (	) 🗖 3. Regional 🗖 4. N	lational
Hous	sing tory/Quality					
	tory/ quanty					
		igh 8, please indic rongly Disagree.	ate whether you	: <b>1</b> Strongly A	Agree; <b>2</b> Agree; <b>3</b> Neither Agre	e nor Disagree
3.	"There is eno	ugh housing in th	is community to	meet the dema	and."	
	<b>1</b>	<b>□</b> 2	<b>□</b> 3	<b>□</b> 4	<b>□</b> 5	
4.	"The housing	g stock in this com	munity is in goo	od condition."		
	<b>1</b>	□ 2	<b>□</b> 3	<b>4</b>	<b>□</b> 5	
5.	"My commu	nity needs to focus	s on adding hou	sing through ne	ew construction."	
	<b>1</b>	<b>□</b> 2	<b>□</b> 3	<b>4</b>	<b>□</b> 5	
6.	"My commu	nity needs to focus	s on improving l	housing througl	h rehabilitation of existing structu	res."
	<b>1</b>	<b>□</b> 2	<b>□</b> 3	<b>□</b> 4	<b>□</b> 5	

7.	"Homeowners i	n this community	y can generally aff	ord to make mir	nor housing repairs."	
	<b>1</b>	<b>□</b> 2	<b>□</b> 3	<b>□</b> 4	<b>□</b> 5	
8.	"Renters in this	community can §	get landlords to m	ake needed repa	irs."	
	<b>1</b>	<b>□</b> 2	<b>□</b> 3	<b>□</b> 4	<b>□</b> 5	
9.		5, how would you ery Good and <b>5</b> b		of <u>single family</u> l	ousing stock in this commu	nity
	<b>1</b>	<b>□</b> 2	<b>□</b> 3	<b>□</b> 4	<b>□</b> 5	
10.		5, how would you ery Good and 5 b		of <u>multifamily</u> ho	ousing stock in this commun	ity
	<b>1</b>	<b>□</b> 2	<b>□</b> 3	<b>□</b> 4	<b>□</b> 5	
Afforda	ability					
	ements 11 and 12, agree; or <b>5</b> Stror		whether you: <b>1</b> 5	Strongly Agree;	2Agree; 3Neither Agree	e nor Disagree;
11.	"There is enoug	h affordable sing	le family housing	in this commun	ity."	
	<b>1</b>	<b>□</b> 2	<b>□</b> 3	<b>□</b> 4	<b>□</b> 5	
12.	"There is enoug	h affordable rent	al housing in this	community."		
	<b>1</b>	<b>□</b> 2	<b>□</b> 3	<b>□</b> 4	<b>□</b> 5	
13.	In your opinion,	, which of the foll	lowing housing ty	pes are needed	most in your area?	
				Purchase p	rice Rent	
	☐ Multifamily	y apts.			\$	
	Single famil	, ,		\$	<u> </u>	
	☐ Transitional	•			\$	
	☐ Emergency			Φ.	ф	
	☐ Subsidized	O		\$	\$	
4.4	Other (please			\$	\$	<u> </u>
14.	What is the grea	itest impediment	to owning a home	e in your commi	inity?	
		with a down payr			ility/cost too high	
		ffordable housin	~	=	to get financing or finance co	_
		affordable housi	=	☐ Lack of in	ncome stability, cyclical inco	me
	☐ Poor or inade	equate credit hist	ory			
Specia	ıl Needs Housi	ing				
For state	ements 15 throug	h 21, please indic	ate whether you:			
<b>1</b> Stro	ongly Agree; 2	Agree; 3Neithe	er Agree nor Disag	ree; <b>4</b> Disagre	e; or <b>5</b> Strongly Disagree.	
15.						., "
	"The housing ar	nd related needs	of people who are	homeless are ac	lequately served in this com	munity."

16.	The nousing	and related nee	us of people with	pnysicai disabilitie	s are adequately serve	ea in this community.
	<b>1</b>	<b>□</b> 2	<b>□</b> 3	<b>□</b> 4	<b>□</b> 5	
17.	"The housing community."	g and related no	eeds of people v	vith developmenta	l disabilities are adec	quately served in this
	<b>1</b>	<b>□</b> 2	<b>□</b> 3	□ 4	<b>□</b> 5	
18.	"The housing in this commu		eds of people wit	h severe and persis	etent mental illnesses a	are adequately served
	<b>1</b>	<b>2</b> 2	<b>□</b> 3	<b>□</b> 4	<b>□</b> 5	
19.	"The housing	and related nee	ds of the elderly a	ire adequately serv	ed in this community.	,,
	<b>1</b>	<b>□</b> 2	<b>□</b> 3	<b>□</b> 4	<b>□</b> 5	
20.	"The housing	and related nee	ds of people with	HIV/AIDS are ade	equately served in this	community."
	<b>1</b>	<b>□</b> 2	<b>□</b> 3	□ 4	<b>□</b> 5	
21.	"The housing	and related nee	ds of seasonal far	m workers are adec	quately served in this c	community."
	<b>1</b>	<b>2</b> 2	<b>□</b> 3	<b>□</b> 4	<b>□</b> 5	
22.	For the specia met? Please b		listed in the ques	stions above, how	can the housing and r	related needs be better
Lead E	Based Paint	Hazards				
23.	Are there ade	quate funds to a	ddress lead based	l paint hazards in h	ousing?	
	☐ Yes		No			
24.	Is there a need	d for funds to ad	dress lead based	paint in housing wi	th poisoned children?	
	☐ Yes		No			
25.			ship between ho	using and health o	care providers to add	ress lead based paint
	☐ Yes		No			
26.			eing the least and affordable housir		how much does lead a	abatement procedures
	<b>1</b>	<b>□</b> 2	<b>□</b> 3	□ 4	<b>□</b> 5	
Fair H	ousing					
27.	Is discriminat	ion in housing a	problem in this c	ommunity based or	n (check those that app	oly):
	☐ Race/eth	· ·	1	_	size or type	
	☐ Sex	-		☐ Religion		
	☐ National	origin		_	lity (e.g., physical, mei	ntal and HIV/AIDS)
		ease identify)				. ,

Cost of housing	28.	Are the fo	llowing barriers to h	ousing choice in	your commu	nity? Check those that	apply.
Distance to employment		☐ Cost	of housing		☐ A	ge-restricted housing	
Lack of accessibility requirements for physically disabled fair housing rights among residents   Lack of knowledge about for physically disabled fair housing rights among residents   Lack of knowledge of fair housing regulations among landlords			•			•	
for physically disabled   fair housing rights among residents   Lack of knowledge of fair housing regulations among landlords    29. Are there zoning or land use laws in your community that create barriers to fair housing choice or encourage housing segregation?     Yes				rements			t
Housing discrimination   Lack of knowledge of fair housing regulations among landlords  29. Are there zoning or land use laws in your community that create barriers to fair housing choice or encourage housing segregation?   Yes						•	
Public transportation regulations among landlords  29. Are there zoning or land use laws in your community that create barriers to fair housing choice or encourage housing segregation?  Yes No If yes, what types of laws?  30. Are the following lending activities a problem in your community?  Lenders charging excessively high rates for mortgages, refinancing and mobile home loans  Lenders repeatedly inducing borrowers to refinance loans and charging high transaction fees  For statements 31 through 38, please indicate whether you: 1 Strongly Agree; 2 Agree; 3 Neither Agree nor Disagree; 4 Disagree; or 5 Strongly Disagree.  31. "Minorities can obtain desirable housing in any area of my community."  1 2 3 4 5  32. "Large families can obtain desirable housing in any area of my community."  1 1 2 3 4 5  33. "The elderly can obtain desirable housing in any area of my community."  1 1 2 3 4 5  34. "Persons with disabilities can obtain desirable housing in any area of my community."  1 1 2 3 4 5  35. "The people in my community are able to access mortgages and refinance their homes at competitive interest rates."  36. "The people in my community know that discrimination is prohibited in the sale and rental of housing, mortgage lending and advertising."  1 9 2 3 4 5  36. "The people in my community know that discrimination is prohibited in the sale and rental of housing, mortgage lending and advertising."  1 9 2 3 4 5  37. "The people in my community know whom to contact when facing housing discrimination."		_	•			~ ~	~
29. Are there zoning or land use laws in your community that create barriers to fair housing choice or encourage housing segregation?    Yes			•			•	•
encourage housing segregation?  Yes		- Tubii	e transportation		16	guiations among landi	oras
If yes, what types of laws?  30. Are the following lending activities a problem in your community?    Lenders charging excessively high rates for mortgages, refinancing and mobile home loans   Lenders repeatedly inducing borrowers to refinance loans and charging high transaction fees  For statements 31 through 38, please indicate whether you: 1Strongly Agree; 2Agree; 3Neither Agree nor Disagree; 4Disagree; or 5Strongly Disagree.  31. "Minorities can obtain desirable housing in any area of my community."    1	29.				munity that cr	eate barriers to fair ho	asing choice or
30. Are the following lending activities a problem in your community?    Lenders charging excessively high rates for mortgages, refinancing and mobile home loans   Lenders charging prepayment penalties     Lenders repeatedly inducing borrowers to refinance loans and charging high transaction fees   Lenders selling sub-prime products to prime borrowers     Lenders selling sub-prime products     Lenders selli		☐ Yes	☐ No				
Lenders charging excessively high rates for mortgages, refinancing and mobile home loans Lenders repeatedly inducing borrowers to refinance loans and charging high transaction fees  For statements 31 through 38, please indicate whether you: 1Strongly Agree; 2Agree; 3Neither Agree nor Disagree; 4Disagree; or 5Strongly Disagree.  31. "Minorities can obtain desirable housing in any area of my community."  1		If yes, wh	at types of laws?				
Lenders charging excessively high rates for mortgages, refinancing and mobile home loans Lenders repeatedly inducing borrowers to refinance loans and charging high transaction fees  For statements 31 through 38, please indicate whether you: 1Strongly Agree; 2Agree; 3Neither Agree nor Disagree; 4Disagree; or 5Strongly Disagree.  31. "Minorities can obtain desirable housing in any area of my community."  1	30.	Are the fo	ollowing lending acti	vities a problem i	in your comm	unity?	
rates for mortgages, refinancing and mobile home loans  Lenders repeatedly inducing borrowers to refinance loans and charging high transaction fees  For statements 31 through 38, please indicate whether you: 1Strongly Agree; 2Agree; 3Neither Agree nor Disagree; 4Disagree; or 5Strongly Disagree.  31. "Minorities can obtain desirable housing in any area of my community."  1		☐ Lend	ers charging excessiv	elv high		Lenders linking unn	ecessary products
mobile home loans				-	_	· ·	
Lenders repeatedly inducing borrowers to refinance loans and charging high transaction fees  For statements 31 through 38, please indicate whether you: 1Strongly Agree; 2Agree; 3Neither Agree nor Disagree; 4Disagree; or 5Strongly Disagree.  31. "Minorities can obtain desirable housing in any area of my community."  1				areing und		· -	
to refinance loans and charging high transaction fees  For statements 31 through 38, please indicate whether you: 1Strongly Agree; 2Agree; 3Neither Agree nor Disagree; 4Disagree; or 5Strongly Disagree.  31. "Minorities can obtain desirable housing in any area of my community."    1				ing hammaturana	_		
For statements 31 through 38, please indicate whether you: 1Strongly Agree; 2Agree; 3Neither Agree nor Disagree; 4Disagree; or 5Strongly Disagree.  31. "Minorities can obtain desirable housing in any area of my community."    1				•	_		prime products
For statements 31 through 38, please indicate whether you: 1Strongly Agree; 2Agree; 3Neither Agree nor Disagree; 4Disagree; or 5Strongly Disagree.  31. "Minorities can obtain desirable housing in any area of my community."    1				irging nign		to prime borrowers	
Disagree; 4Disagree; or 5Strongly Disagree.  31. "Minorities can obtain desirable housing in any area of my community."  1		trans	action iees				
"Large families can obtain desirable housing in any area of my community."  1 2 3 4 5  32. "Large families can obtain desirable housing in any area of my community."  1 2 3 4 5  33. "The elderly can obtain desirable housing in any area of my community."  1 2 3 4 5  34. "Persons with disabilities can obtain desirable housing in any area of my community."  1 2 3 4 5  35. "The people in my community are able to access mortgages and refinance their homes at competitive interest rates."  1 2 3 4 5  36. "The people in my community know that discrimination is prohibited in the sale and rental of housing, mortgage lending and advertising."  1 5  37. "The people in my community know whom to contact when facing housing discrimination."					ou: <b>1</b> Strong	ly Agree; 2Agree; 3.	Neither Agree nor
<ul> <li>32. "Large families can obtain desirable housing in any area of my community."  1</li></ul>	31.	"Minoriti	es can obtain desirab	le housing in any	area of my co	ommunity."	
<ul> <li>1</li></ul>		<b>1</b>	<b>□</b> 2	<b>□</b> 3	<b>□</b> 4	<b>□</b> 5	
<ul> <li>1</li></ul>	32.	"Large fa	milies can obtain des	irable housing in	any area of n	ny community."	
<ul> <li>1</li></ul>		<b>1</b>	<b>□</b> 2	<b>□</b> 3	<b>4</b>	<b></b> 5	
<ul> <li>1</li></ul>	33	"The olde	rly can obtain decira	blo boucing in an	ny area of my	community"	
<ul> <li>34. "Persons with disabilities can obtain desirable housing in any area of my community."</li> <li>1</li></ul>	33.	The elde	ny can obtain desira	ble flousing in an		community.	
□ 1 □ 2 □ 3 □ 4 □ 5  35. "The people in my community are able to access mortgages and refinance their homes at competitive interest rates." □ 1 □ 2 □ 3 □ 4 □ 5  36. "The people in my community know that discrimination is prohibited in the sale and rental of housing, mortgage lending and advertising." □ 1 □ 2 □ 3 □ 4 □ 5  37. "The people in my community know whom to contact when facing housing discrimination."		<b>1</b>	<b>□</b> 2	<b>□</b> 3	<b>□</b> 4	<b>□</b> 5	
<ul> <li>35. "The people in my community are able to access mortgages and refinance their homes at competitive interest rates."</li> <li>1 2 3 4 5</li> <li>36. "The people in my community know that discrimination is prohibited in the sale and rental of housing, mortgage lending and advertising."</li> <li>1 2 3 4 5</li> <li>37. "The people in my community know whom to contact when facing housing discrimination."</li> </ul>	34.	"Persons	with disabilities can	obtain desirable l	housing in an	y area of my communi	y."
rates."  1 2 3 4 5  36. "The people in my community know that discrimination is prohibited in the sale and rental of housing, mortgage lending and advertising."  1 2 3 4 5  37. "The people in my community know whom to contact when facing housing discrimination."		<b>1</b>	<b></b> 2	<b>□</b> 3	<b>4</b>	<b></b> 5	
<ul> <li>1</li></ul>	35.		ole in my community	are able to acces	ss mortgages a	and refinance their hon	nes at competitive interest
<ul> <li>36. "The people in my community know that discrimination is prohibited in the sale and rental of housing, mortgage lending and advertising."</li> <li>1 2 3 3 4 5</li> <li>37. "The people in my community know whom to contact when facing housing discrimination."</li> </ul>						П -	
housing, mortgage lending and advertising."  1 2 3 4 5  37. "The people in my community know whom to contact when facing housing discrimination."		<b>1</b>	<b>4</b> 2	<b>ച</b> 3	<b>4</b>	<b>4</b> 5	
37. "The people in my community know whom to contact when facing housing discrimination."	36.				imination is p	rohibited in the sale ar	d rental of
		<b>1</b>	<b>□</b> 2	<b>□</b> 3	<b>□</b> 4	<b></b> 5	
	37.	"The peop	ole in my community	know whom to	contact when	facing housing discrin	nination."
		□ 1	□ 2	□ 3	$\Box$ 4	□ 5	

38.		"The housing enforcement agency in my community has sufficient resources to handle the amount of discrimination that may occur."														
		1			2		3			4			<b>)</b> 5			
air H	ousi	ng P	olicy													
39.	Do	you h	nave the	follo	wing in	this com	nunity	·?								
	Aff	irmat	ive Actio	on Pl	ion/Ord an rdinance			☐ Yes ☐ Yes ☐ Yes				lo				
40.	Has	s the I	Resolutio	on/C	Ordinanc	e been ap	prove	d by the	e Sta	te?						
		Yes			No											
41.		s the o	commun	ity jo		ces with	any of	her grou	ap ag	genc	y or or	ganiz	ation	to promo	ote fair l	nousing?
42.		es this Yes	s commu	unity		have acco	ess to a	ı Civil F	Right	s Co	ommiss	ion/	Office	e?		
43.		ve the Yes	ere been	hous		plaints fil	led aga	ainst yo	ur oi	gan	ization	in th	e pas	t five yea	rs?	
	If y	es, ho	w many	? Pl	ease des	cribe the	nature	of the o	comp	olain	ıt(s).					
lost	lmpo	ortan	t Hous	ing	Issues											
44.	In y	your c	pinion,	what	are the	three mo	st imp	ortant h	ousi	ng is	ssues ir	ı you	r serv	vice area o	or comn	nunity?
			Issues				•			Ü		5				ý
	1.															
	2.															
	3.															
45.	If y	ou co	ould cha	nge (	elements	of existi	ng hoi	asing po	olicy	, or	a singl	e ho	ısing	program	, what v	would

47.	Are there housing policies or programs in other communities provide examples.	es that cou	ld benefit tl	nis commur	nity? Please	
omi	nunity Development					
48.	Rank the following community development needs in order (with 1 being the least needed and 5 being the most needed)		nuch they ar	e needed ir	n your com	munity
		1	2	3	4	5
	Water and sewer systems improvements.					
	Child and adult care facilities					
	Facilities and shelter for special needs populations (e.g., persons with disabilities, persons who are homeless)					
	Downtown business environment revitalization					
	Emergency services (e.g., fire stations and equipment)					
	Community centers					
49.	Rank the following <i>barriers</i> to community and economic community (with 1 being a small barrier and 5 being a large		oment in o	order of m	agnitude i	n your
		1	2	3	4	5
	Job growth					
	Jobs that pay livable wages					
	Educated work force					
	Lack of affordable housing					
	Poor quality public infrastructure					
	Lack of quality commercial and retail space					
	Lack of available funds to make improvements					
	Lack of mixed income housing developments					
	Lack of accessible housing for individuals or families					
	Lack of investment/deteriorating conditions downtown					
50.	To your knowledge, has the number of jobs in this commun	ity increas	ed or decre	ased over tl	ne past 5 ye	ears?
	☐ Increased ☐ Decreased ☐ D	o not knov	N			

46. To your knowledge, which groups of people in this community have the greatest unmet housing needs, and why? (Groups can be categorized by age, income, ethnicity, geography, disability status, etc.)

51.	Has the perception of this community gotten better or worse over the last 5 years? Why?								
52.	In your opinion, what are the three most important service area or community (e.g., specific information revitalization of the central business district or the Community Development Needs	rastructure impro	vements, facilities						
Hous	ing and Community Development Progra	ams							
53.	Are you aware of the following programs adr (IDOC) and the Indiana Housing Finance Author		Indiana Departmer	nt of Commerce					
	Community Focus Fund	☐ Yes	□ No						
	Housing from Shelters to Homeownership	☐ Yes	☐ No						
	Foundations	☐ Yes	☐ No						
	CHDO Works	☐ Yes	☐ No						
54.	Has this community applied for and/or utilized	l the following fund	ding sources for loc	cal projects?					
	Community Focus Fund	☐ Yes	☐ No	☐ Do not know					
	Housing from Shelters to Homeownership	☐ Yes	□ No	☐ Do not know					
	Foundations	☐ Yes	□ No	☐ Do not know					
	CHDO Works	☐ Yes	☐ No	☐ Do not know					
55.	If yes, how has this community utilized program	m funding?							
	Program: How u	ısed:							
	Program: How u	ısed:							
	Program: How u	ısed:							
56.	Do you have any suggestions on how IDOC and	d IHFA can improv	re these programs?	Please explain.					
	Program:Sugges	stions for improver	ment:						
57.	Have you heard of the Housing Opportunities f  Yes  No	or People with AII	OS (HOPWA) progi	ram?					
58.	Do you know how to access HOPWA funding (	e.g., agency to cont	act, process of appl	lying for funding, etc.)?					
	□ Yes □ No								

What	t is most nee	ded in your community to meet th	e nee	ds of persons with HIV/AIDS? (Check all that apply
	Housing info	rmation		Rental housing
$\Box$ S	Single family	housing		Assistance with utilities
	Assistance w	ith rental/mortgage payments		Supportive services
	Operating su	bsidies for HIV/AIDS housing		Other
Do yo	ou have sug	gestions for how IHFA can better i	mple	ment the HOPWA program?
Have	you heard	of the Emergency Shelter Grant (ES	6G) p	cogram?
Have	•	of the Emergency Shelter Grant (ES	SG) pr	ogram?
☐ Y	es	□ No		contact, process of applying for funding, etc.)?
☐ Y	es ou know ho	□ No		
Do yo	es ou know how	☐ No v to access ESG funding (e.g., ager	ncy to	contact, process of applying for funding, etc.)?
Do yo What	es ou know how	□ No v to access ESG funding (e.g., ager □ No ded in your community to meet th	ncy to	contact, process of applying for funding, etc.)?
Do you What	es ou know how es t is most nee	□ No v to access ESG funding (e.g., ager □ No ded in your community to meet the	ncy to	contact, process of applying for funding, etc.)? ds of persons who are homeless?
Do you What	es ou know how es t is most nee Housing info	□ No v to access ESG funding (e.g., ager □ No ded in your community to meet the	ncy to	contact, process of applying for funding, etc.)?  ds of persons who are homeless?  Emergency shelters
Do you What	es ou know how es t is most nee Housing info	□ No v to access ESG funding (e.g., ager □ No ded in your community to meet the rmation housing	ncy to	contact, process of applying for funding, etc.)?  ds of persons who are homeless?  Emergency shelters  Supportive services
Do yo What	Yes  Yes  Yes  It is most nee  Housing info  Fransitional  Operating su	□ No v to access ESG funding (e.g., ager □ No ded in your community to meet the rmation housing	e nee	contact, process of applying for funding, etc.)?  ds of persons who are homeless?  Emergency shelters  Supportive services  Homeless prevention activities  Other
Do you What I To you Do you	Yes  Yes  Yes  Tes  Tis most nee  Housing info  Transitional  Operating su  Outhave sug	□ No v to access ESG funding (e.g., ager □ No ded in your community to meet the rmation mousing bsidies for shelters	e nee	contact, process of applying for funding, etc.)?  ds of persons who are homeless?  Emergency shelters  Supportive services  Homeless prevention activities  Other

Thank You For Your Assistance.

# APPENDIX D. Citizen Participation Plan

## APPENDIX D. Citizen Participation Plan

The Citizen Participation Plan (the Plan) described below is the evolution and actualization of many years of thoughtful broad base and targeted planning. It was drafted in accordance with Section 91.401 of HUD's State Consolidated Plan regulations. The Plan was developed around a central concept that acknowledges residents as stakeholders and their input as key to any improvements in the quality of life for the residents who live in the community.

The purpose of the Citizen Participation Plan is to provide citizens of the State of Indiana maximum involvement in the development of issues and program initiative priorities. Every year, the Plan is designed to provide citizens equal access to become involved in the planning process regardless of age, gender, race, ethnicity, disability and economic level. A special effort is made each year to enhance the participation efforts of the previous year and to reach sub-populations who are marginalized in most active participation processes. As an example:

- ➤ In 2002, information on the Citizen Participation process was distributed in Spanish as well as English to encourage participation by the State's Spanish-speaking populations.
- ➤ In 2003, the participation of special needs population was broadened by increasing communication with advocates. In addition, a member of the Consolidated Planning Committee participated in a workshop that modeled the forum exercises.
- ➤ In 2004, the public outreach process was enhanced by the services of a professional consultant who increased the distribution of forum flyers to include local elected officials, including the mayor, city council members, county commissioners and county council members. The flyers were also mailed to Hispanic leaders, labor organization chiefs, certified grant writers and United Way agencies. The elected officials received a follow-up call inviting them to the forums. All local media received a copy of the forum flyer and were asked to run a public service announcement. Many of the media contacted were cooperative and ran a PSA.

From the onset of the first community forum to the distribution of the surveys and writing of the Plan, the needs of the Indiana residents, government officials, nonprofit organizations, special needs populations and others and have been carefully considered and reflected in the drafting of the document.

The participation process was developed and monitored by a Consolidated Planning Coordinating Committee consisting of representatives from the Indiana Department of Commerce (IDOC), the Indiana Housing and Finance Authority (IHFA) and the Indiana Family and Social Services Administration (FSSA). The committee also includes representatives from the Indiana Association for Community and Economic Development (IACED), the Indiana Civil Rights Commission (ICRC), the Indiana Coalition on Housing and Homeless Issues (ICHHI), Rural Opportunities, Incorporated (ROI), and the Indiana Institute on Disability and Community. In addition, the State representative from the U.S. Department of Housing and Urban Development served as an advisor to the committee. The purpose of the committee was to monitor the drafting of the plan from initiation to submission.

**The participation process.** The participation process included six phases and took six months to complete. There were multiple approaches used to inform residents of the process and then gather community opinions. Citizens throughout the State were actively sought out to participate and provide input for the process. The process entailed six phases: Phase I. Development of Process Resources and Distribution of Process Information; Phase II. Forum Preparation and Implementation; Phase III. Target Population Survey Distribution; Phase IV. Strategic Action and Allocation Plan Development; Phase V. Public Hearing; and Phase VI. Comment Period.

Phase I. Resources Development and Distribution of Process Information. During the month of December 2003, forum flyers were designed to be used as informational invitations to all Indiana stakeholders. Like the former year, the flyer included a general description of the Consolidated Plan and its purpose, a list of regional forums and times, a brief description of the four housing and community development grant programs and the three administering agencies. The flyer also described ways citizens could become more involved in the process, including contact information and methods for submitting public comments. These flyers were sent to more than 4,300 individuals and agencies. Copies of the flyer can be found at the end of this section.

Phase II. Forum Preparation and Implementation. Six regional forums were planned and implemented. The forums were regionally distributed, with two in the northern, two in the southern and two in the central counties of the State. The forums were held in Auburn, Crawfordsville, Rensselaer, Rushville, Seymour and Vincennes. All of the sites selected for the forums were accessible to persons with disabilities. The forums were scheduled to begin at 2:00 p.m. and last approximately two hours.

Community residents and agency representatives were informed of the meetings by forum flyers, personal contacts and media releases. The flyers were mailed to all local elected officials, Hispanic leaders, labor organization chiefs, certified grant writers and United Way agencies. Many of the local media that received copies of the flyers also ran public service announcements.

Each forum had the same format. Participants were asked to complete two exercises identifying the housing and community development needs in their areas. They were then given a ten minute presentation by an agency representative on their HUD funded programs and contact information. In addition, the forums included a presentation from the Indiana Civil Rights Commission on fair housing.

After introductions, participants were divided into groups to complete the community top issues exercises. Participants were asked to list the top issues that face their community. This exercise was followed by presentations describing the issues each group delineated and then by agency presentations that provided forum participants with information about fundable activities and contact information. Next, the participants were asked to consider the State programs available to meet their community needs. Participant groups were given a worksheet listing CDBG/community development, CDBG/housing, HOME, HOPWA, and ESG fundable activities and asked to prioritize each grouping.

Like last year, the forums also included a program evaluation exercise conducted by the Indiana Housing Finance Authority. The purpose of the exercise was to solicit input from citizens, grantees and organizations about IHFA programs. The exercise was scheduled one hour before each of the forums.

The forums resulted in information provided by participant groups that was used to revise the five year Strategic Plan, develop the One Year Action Plan and craft the agency allocation plans for the FY2004 program year.

Phase III. Key Person Survey Distribution. During January 2004, more than 4,300 surveys were sent to local government leaders, providers of housing, health, and other community services, members of housing and community coalitions, and other interested parties. The response rate on the surveys was 12 percent. The cover letter accompanying the surveys contained information about other elements of the citizen participation process, including the dates and times of the regional forums, the public hearings and the public comment period. Survey results are presented in Section III of the Consolidated Plan.

Phase IV. Strategic Action and Allocation Plan Development. After the survey and forum data had been analyzed, the Consolidated Plan Coordinating Committee held a workshop to evaluate the five year Strategic Plan crafted in FY2000 and develop the One Year Action Plan for FY2004. Development of the Action Plan was a threefold process. First, members of the Committee read draft sections of the Consolidated Plan individually. Second, the results of the key person survey and forums were presented and discussed at the workshop. The Committee then completed an exercise which compared the identified needs to the action items developed as part of the five year Plan, discussed any gaps, and worked together to revise the five year Strategic Plan and develop a new One Year Action Plan.

**Phase V. Public Hearing.** Citizens and agency representatives were notified of the publication of the draft during the forums and by public notification in newspapers throughout the State. Those attending the forums were sent Executive Summaries of the report and a draft of the report was posted on the Indiana Housing Finance Authority and the Indiana Department of Commerce's websites.

On April 19 and 20, 2004, public hearings were held in Crawfordsville and Greenwood. The hearings were held from 2:00 p.m. to 4:00 p.m. During the session, executive summaries of the Plan were distributed and instructions on how to submit comments were given. In addition, participants were given an opportunity to provide feedback or comment on the draft. A copy of the handouts distributed during the public hearings is attached to this section.

**Phase VI. Comment Period.** The 30 day comment period began on April 1 and continued through April 30, 2004. During the comment period, copies of the draft Plan were provided on agency websites; and Executive Summaries were also distributed to the public. Residents were provided information about how to submit comments and suggestions on the draft.

The State responded to the public comments received at the end of the 30-day comment period. Copies of the public comments and the State's response are included in Appendix E.

### NOTICE OF PUBLIC HEARING FY 2004 CONSOLIDATED PLAN FOR FUNDING

### INDIANA DEPARTMENT OF COMMERCE INDIANA HOUSING FINANCE AUTHORITY INDIANA FAMILY AND SOCIAL SERVICES ADMINISTRATION

Pursuant to 24 CFR part 91.115(a)(2), the State of Indiana wishes to encourage citizens to participate in the development of the State of Indiana Consolidated Plan for 2004. In accordance with this regulation, the State is providing the opportunity for citizens to comment on the 2004 Consolidated Plan Update draft report, which will be submitted to the US Department of Housing and Urban Development (HUD) on or before May 15, 2004. The Consolidated Plan defines the funding sources for the State of Indiana's four (4) major HUD-funded programs and provides communities a framework for defining comprehensive development planning. The FY 2004 Consolidated Plan will set forth the method of distribution of funding for the following state agencies and HUD-funded programs:

Indiana Department of Commerce - State Community Development Block Grant (CDBG) Program

Indiana Housing Finance Authority – Home Investment Partnership Program
Indiana Family and Social Services Administration – Emergency Shelter Grant Program
Indiana Housing Finance Authority – Housing Opportunities for Persons With Aids Program

These public hearings will be conducted as follows:

Crawfordsville City Library 222 South Washington Street Crawfordsville, IN 47933 April 19, 2004 2:00 p.m. – 4:00 p.m. (Local Time)

Greenwood City Building 2 North Madison Ave. Greenwood, IN 46142 April 20, 2004 2:00 p.m. – 4:00 p.m. (Local Time)

If you are unable to attend the public hearings, written comments are invited April 1, 2004 through April 30, 2004, at the following address:

Grants Management Office Indiana Department of Commerce One North Capitol – Suite 700 Indianapolis, IN 46204-2288

Persons with disabilities will be provided with assistance respective to the contents of the Consolidated Plan. Interested citizens and parties may receive a free copy of the Executive Summary of the FY 2004 Consolidated Plan by telephoning Ms. Kelly Boe (317)232-8831 or by electronic mail at <a href="kboe@commerce.state.in.us">kboe@commerce.state.in.us</a>. Questions may be directed to the Grants Management Office of the Department of Commerce at its toll free telephone number (800-246-7064) during normal business hours.

### Plan Your Community

The State of Indiana requests your help in determining how housing and community development funds should be spent in the State during 2004 - 2005.

Each year the U.S. Department of Housing and Urban Development (HUD) provides funding to states for housing and community development programs. To receive these funds, each state must complete a report called the Consolidated Plan.

The State of Indiana is currently writing its Consolidated Plan report for 2004, and we need your input!

By voicing your opinion about issues of housing, homelessness and community economic development you will help shape the future of your community and the State. You can participate in the Consolidated Plan process by attending one of the regional forums, a public hearing, or by sending us your written comments.

### **REGIONAL FORUMS**

Citizens, service and housing providers, advocates and elected officials will come together to discuss the most pressing needs in their communities. The forums will include presentations by the Consolidated Plan Committee that describe the HUD programs and how to apply for funding. The schedule for the 2004 forums is located at the right. Please try to

Before the forums, between 1 and 2 p.m., IHFA will be holding comment sessions to receive input about their housing programs. For more information, contact Michelle Kincaid at 1.800.872.0371 or 317.232.7777.

### PUBLIC HEARINGS AND WRITTEN COMMENTS

Beginning on April 1, 2004, the Draft 2004 Consolidated Plan Update will be released for public comment. The Plan will be available electronically on the Indiana Housing Finance Authority website at <a href="http://www.siate.in.us/ihfa">http://www.siate.in.us/ihfa</a> and the Indiana Department of Commerce website at <a href="http://www.indianacommerce.com">http://www.indianacommerce.com</a>. Hard copies will be available at the Department of Commerce. The State will be holding two public hearings in mid-April to receive comments about the draft plan. You may also comment on the plan in writing by sending a letter to:

Consolidated Plan, Indiana Department of Commerce, Controller's Office Grants Management Division One North Capitol Avenue, Suite 700 Indianapolis, Indiana 46204-2248

NEED MORE INFORMATION? Contact Kelly Boe at the Indiana Department of Commerce at: 1.800.824.2476 or 317.232.8800

### Regional Forum Schedule

### February 4th, 2004

Vincennes Southwest Regional Training Ctr. Conference Room 1 and 2 604 Quail Run Road Vincennes, IN 47561 2 to 4 p.m. Local Time

#### February 5th, 2004

Seymour Jackson County Library Meeting Room 303 West 2nd Street 2 to 4 p.m. Local Time

### February 9th, 2004

Auburn
Auburn City Council Chamber 210 East 9th Street Auburn, IN 46706 2 to 4 p.m. Local Time

February 10th, 2004 Crawfordsville Crawfordsville City Library 222 South Washington St. Crawfordsville, IN 47933 2 to 4 p.m. Local Time

### February 12th, 2004

Rensselaer Rensselaer City Hall 124 S. Van Rensselaer St. Rensselaer, IN 47978 2 to 4 p.m. Local Time

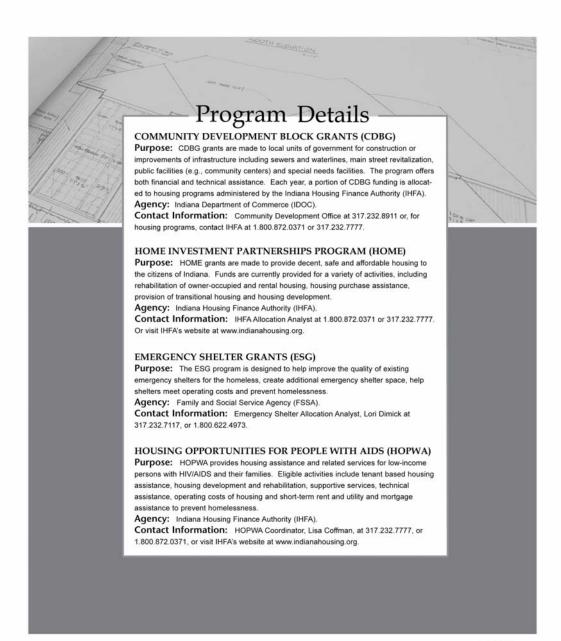
### February 16th, 2004

Rushville Police Department 270 N. 15th St. Rushville, IN 46173 2 to 4 p.m. Local Time















### **COMMUNITY NEEDS**

First, identify the top ten community needs in this Region and provide a description. When the group is satisfied with their list next rank them in importance.

Need	Description	Rank
	· · · · · · · · · · · · · · · · · · ·	
Submitted By (optional)		dual 🗖 Group

### PRIORITIZE THE TOP TEN ACTIVITIES/PROGRAMS WITHIN THE FOUR PROGRAM AREAS FUNDED BY HUD?

In each of the program areas listed below, rank the issues listed and provide and explanation of the gap in the current funding that exist.

Community Development Block Grant (CDBG)  Community Development Activities	HOME Investment Partnerships Funds (HOME)
Water	Transitional Housing
Sewer	Rental Housing
Storm Water	Single Family Homeownership (Homebuyer)
Fire Station/Truck	Lease-Purchase
Senior Citizen Centers	Owner-Occupied Housing
Community Center	Homeownership Counseling/Down Payment Assistance
Library Expansion	
Healthcare Center	
Downtown Revitalization	
Infrastructure in Support of Affordable Housing	Predevelopment Loans
Job Training/Creation	Other
Community Planning Studies	
Daycare Center	Emergency Shelter Grants - (ESG)
Other	Shelter Services
	Case Management
<u>Housing Activities</u>	Shelter Operations
Emergency Shelter	Salaries
Youth Shelter	Management/Rental Payment
Migrant/Seasonal Farm Worker Housing	Utility Bills
Transitional Housing Rehabilitation	Other (please specify)
Rental Housing Rehabilitation	— Homelessness Prevention
Owner-Occupied Rehabilitation	Client Utility Bills
Down Payment Assistance	Client Rental Payment
Development Feasibility Studies	Client Back Litility Bills
Housing Needs Assessments  Home Renair/Home Modification	Client Security Deposit
Home Repair/Home ModificationOther	Client First Month's Rent
Other	Other (please specify)

BBC RESEARCH & CONSULTING

APPENDIX D, PAGE 9

Hold a statewide fair housing summit in your area  Host training	
Host training	
□ concerning accessible housing and rights	
☐ concerning predatory lending ☐ concerning fair housing rights of Latinos or other ethnic group	
Hold local fair housing symposia in a language other than	
English	
Conduct a survey of fair housing tests in your area  Recruit members from area to serve on the statewide task force	
	Implement a local fair housing ordinance in your town
	Distribute fair housing information in your community What languages would be useful?
Target a specific fair housing concern in your community	
☐ Indívidual ☐ Group #	

BBC RESEARCH & CONSULTING

APPENDIX D, PAGE 10

# APPENDIX E. Public Comments and Response

# APPENDIX E. Public Comments and Response

The 30-day public comment period for the FY2004 State of Indiana Consolidated Plan Update was held between April 1 and April 30. Two public hearings were conducted on April 19 and 20 2004, between 2 and 4 p.m. in the cities of Crawfordsville and Greenwood. Copies of the public comments received and the State's response are included in this section.



## ATTIC, INC.

(A Resource Center for Independent Living)

1721 Washington Avenue - Vincennes, IN 47591 (812-886-0575 1-800-96ATTIC 812-886-1128(fax) (All numbers. Web Site: www.theattic.org Email: INATTIC1@aol.com

February 04, 2004 Issues for the Consolidated Plan To whom it may concern:

ATTIC serves seven counties, Knox, Davies, Green, Pike, Gibson, Sullivan and Martin. The population for these counties is around 180,000, with 15% being people with disabilities. Housing issues are a great concern in these counties. These Hoosiers need to be able to become independent. A consumer with a low, fixed or only one source of income needs to be able to afford to rent or purchase a home.

#### The Consolidated plan must encourage housing authorities to:

- Apply for Section 8 Mainstream Program and Housing Choice Fair Share vouchers for rental assistance.
- Present the Section 8 Homeownership Program so that people with disabilities have access to homeownership.

The Consolidated Plan needs to reflect an investment into affordable rental and homeownership with the use of HOME dollars. Begin a "tenant based rental program" using HOME funds.

More vouchers are needed to move adults out of their parent's homes. When wanting to have a home of their own to become more independent, the consumer should not have to wait for them to have enough points to receive the voucher. There are limited vouchers in our counties for housing needs.

Services & Programs

Individual & Systems Advocacy Information & Referral Person-Centered Planning Peer Counseling Parent Liaison
Parent Training Resource Library Skills Training Toy Lending Library Assistive Technology

#### We need the Indiana Housing Finance Authority:

- To have Indiana comply with the Fair Hosing requirements for accessible features in publicly funded housing.
- Money from the CDBG funds for "accessibility modification program." Expand
  housing choices for low-income people with disabilities. Have money follow the
  voucher for home modification.

Many people with disabilities live off SSI, a down payment or closing cost are major barriers in becoming a homeowner. Utilizing HOME funds can be a source to help supply the funds to increase homeownership for people with disabilities.

Supportive Housing Program for People with Disabilities to integrated home options and real choices, Section 811 funds, should be redirected. Support rental housing developments that use these funds to assist people with incomes of 30% of median income to have access to housing needs. We need vouchers not waiting lists.

Insure new homes are near transportation routes and shopping opportunities. Increase the stock of affordable and accessible housing for people with disabilities. Increase housing for single and family homes.

Modification is a necessity when the new home is bought with the vouchers. Money needs to be available for ramps, doorways and any other means of living accessibility for the consumer to be able to live more independent. Have modification money follow the voucher.

At the Con Plan Regional Forum, the top priorities in housing were the main one's that I have submitted. I feel this Forum was very informative and informational. The attendance was diverse with a variety of interesting representative.

Disability is still one of the largest and fastest growing segments of the population.

Disability has no guidelines, it can occur at any age, race, gender and geographic boundaries. It is part of the human condition that can and has impacted all of us in this society. That is why we must implement these issues and see them become available.

Thank You, Submitted by Jackie Evans

ATTIC, Inc.



May 11, 2004

Ms. Jackie Evans ATTIC, Inc. 1721 Washington Avenue Vincennes, Indiana 47591

Re: Comments on FY2004 Indiana Consolidated Plan Update

Dear Ms. Evans:

Thank you for your comments on the State of Indiana's 2004 Draft Consolidated Plan. The State worked hard to involve citizens and stakeholders in the planning process and thanks you for your contribution to the Plan. We are pleased to know that you found the public forum you attended to be informative and representative of diverse interests.

You suggested a number of activities in strategies in your letter that would provide increased opportunities for affordable housing to Indiana citizens, particularly those with disabilities:

Rental assistance/vouchers. As part of the 2004 Consolidated Planning process, a survey of public housing authorities in primarily rural areas of the State was conducted to better understand the need for the development of additional affordable units and/or tenant based rental assistance. The results of the survey showed that specific housing needs varied depending on the community. As such, your input about the need for additional affordable units in your service areas is very valuable and will be incorporated into the planning process for the allocation of the HUD funds.

As part of its current Action Plan, the State is monitoring the use and allocation of Section 8 vouchers in rural areas and continued funding of this program on the national level. It should be noted that HUD regulations limit TBRA to two years for programs funded through the HOME grant; therefore, TBRA funded through HOME may not be a long-term solution to the housing costs faced by persons with disabilities.

Home modification/accessibility. The State's Housing from Shelters to Homeownership program, which is funded through Federal Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) grant dollars, provides funding for the rehabilitation and new construction of all types of affordable housing, from emergency shelters to permanent supportive housing. In 2004, more than \$10 million is proposed to be allocated to the rehabilitation and development of affordable housing through this program. To obtain more information about the program and how you can apply for funding, please consult the HOME Allocation Plan in Appendix G of the Consolidated Plan or visit the IHFA website at http://www.in.gov/ihfa/comdev/conplan/plan.htm.



30 SOUTH MERIDIAN STREET, SUITE 1000, INDIANAPOLIS, IN 46204
TELEPHONE: (317) 232-7777 • TOLL-FREE WITHIN INDIANA: (800) 872-0371 • FACSIMILE: (317) 232-7778
WORLD WIDE WEB: HTTP://www.indianahousing.org • Equal Opportunity Employer And Housing Agency
Printed on Recycled Paper



**Fair housing.** All housing developments funded using CDBG and HOME dollars must comply with relevant provisions of the American with Disabilities Act and Fair Housing Act.

Thank you again for your comments. We hope you will stay involved in future Consolidated Planning processes.

Sincerely,

Sheryl M. Sharpe Director of Operations

Sheryl M. Sharpe

#### CITY OF MONTPELIER

300 West Huntington Street Montpelier, Indiana 47359-1006 Phone 765-728-2698 FAX 765-728-6505 E Mail cityofmontpelier@hotmail.com OUTSTANDING COMMUNITY AWARDS

1985 - 1986 - 1988 - 1991 - 1995
COMMUNITY EXCELLENCE AWARD
1987
MAIN STREET AWARD - 1987
TREE CITY USA - 1990 - 1991 - 1992 - 1993 - 1994
1995 - 1996 - 1997 - 1998 HOME TOWN PRIDE AWARD - 1992



Feb. 10, 2004

To Whom It May Concern;

As Mayor of Montpelier, IN, I'm writing this letter in support of the State's Consolidated Plan.

We are a community of about 2000 and we are finding it harder and harder to keep up with the growing demands put on the city. With sewer separations, our aging Infrastructure and the need for new community projects we are at the end of the trail trying to find funding for these projects.

We as a city are in need of a new Community Building, we need a new or should I say larger Police station, we also still have approximately 30% of our sewer separation yet to finish. With budgets as tight as they are and no new monies to draw from, a lot of these types of projects just will never get done. We have raised our water and sewer rates about as high as we dare at this point to do what we have, but now its got people thinking about moving to get away from the higher bills, although they will find them as high in most areas.

So the bottom line is we, as a city need HELP! If there is any way possible we need the State's Consolidated Plan to become a reality. Our future lies with it.

Thank you for considering it.

**Best Regards:** 

James A. McPherson - Mayor

Larrer o gas og spreas ja telk og far elkt av fikta



3773 Cherry Creek North Drive Suite 850 Denver, Colorado 80209-3827 302321.2547 fax 303.399.0448 www.bbcresearch.com bbc@bbcresearch.com

May 10, 2004

Mayor James A. McPherson City of Montpelier 300 West Huntington Street Montpelier, Indiana 47359-1005

Re: Comments on FY2004 Indiana Consolidated Plan Update

Dear Mayor McPherson:

Thank you for your comments on the State of Indiana's 2004 Draft Consolidated Plan. The State worked hard to involve citizens and stakeholders in the planning process and appreciates your contribution to the Plan.

The Federal Community Development Block Grant (CDBG) program provides funds that can be used in small communities like yours for a range of improvements, including those made to public infrastructure. The Community Focus Fund that is administered by the Indiana Department of Commerce and uses CDBG monies funds projects such as water, sewer, street and related improvements; construction of public facilities; and commercial rehabilitation and downtown revitalization projects. We encourage you to investigate how your community may benefit from the program by reading Appendix G of the FY2004 Consolidated Plan, specifically the CDBG Allocation Plan. For more information on the CDBG and Community Focus Fund programs, please contact Kelly Boe, Manager of Finance and Administration, 317.232.8831.

Thank you again for your comments. We hope you will stay involved in future Consolidated Planning processes.

Sincerely,

Heidi Aggeler Director

HeidiAggler



www.hoosieruplands.org

Administrative Office 521 WEST MAIN STREET MITCHELL, INDIANA 47446 (812) 849-4457 or 1-800-333-2451 FAX (812) 849-4467

=== Helping People Since 1966 ====

February 12, 2004

Ms. Kelly Boe Indiana Department of Commerce Controller's Office, Grants Management Division One North Capitol Ave., Suite 700 Indianapolis, IN 46204-2248

Re: 2004 Consolidated Plan

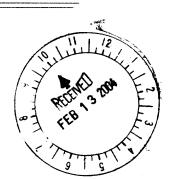
Dear Ms. Boe:

I am writing to offer my comments regarding the preparation of the 2004 Consolidated Plan for the State of Indiana.

As a non profit agency Director operating in a very rural part of southern Indiana, I can attest to the challenges rural areas face in trying to meet the housing needs in these small communities.

First, the 2003 consolidated plan earmarked \$300,000 for infrastructure in support of affordable housing. This amount is woefully inadequate and its control by the Indiana Department of Commerce ("IDOC") requires grant applicants to submit proposals to two separate funding agencies for a single project. As often happens, the funding rounds of both IDOC and the Indiana Housing Finance Authority ("IHFA") are on different cycles during the year. I would like to suggest the state's consideration for earmarking \$1,000,000 in CDBG funds for infrastructure in support of affordable housing. Furthermore, the transfer of these funds and this activity to the Indiana Housing Finance Authority would facilitate a more efficient method of accessing and utilizing these funds. This change would increase the CDBG funds allocated to IHFA from \$5,000,000 to \$6,000,000 and demonstrate a greater commitment to the many affordable housing needs in this state along with sustaining IDOC's historic commitment to infrastructure.

Second, the state of Indiana has one of the highest homeownership rates and foreclosure rates in the country while, according to the 2000 Census, 33.3% of the renter households in the state of Indiana are rent burdened because they pay more than 30% of their household income for housing related expenses. In 2003, IHFA committed 21% of the state's HOME allocation and (I believe) 100% of its annual dividend to the First HOME program. Furthermore, the HOME funds allocated to the state are intended to be for areas outside of participating jurisdictions that receive their own allocation of HOME funds. Although I do not have any statistics, I would assume (given the concentration of



population and participating lenders in urban areas) that a majority of the HOME funds used for the First HOME program are spent in major metropolitan areas that are already participating jurisdictions under the HOME program. I recommend that the commitment to the First HOME program be scaled back to 10% of the state's HOME allocation with the remaining HOME funds re-directed to address rental and special needs housing issues facing smaller communities in Indiana.

Thank you for the opportunity to provide recommendations for the 2004 Consolidated Plan Annual Update.

Sincerely,

David L. Miller,

Chief Executive Officer

c: The Honorable Kathy Davis, Lt. Governor

The Honorable Eric Koch, State Representative

The Honorable Becky Skillman, State Senator

The Honorable Richard Young, State Senator

The Honorable Jerry Denbo, State Representative





May 10, 2004

Mr. David Miller Hoosier Uplands 521 West Main Street Mitchell, Indiana 47446

Re: Comments on FY2004 Indiana Consolidated Plan Update

Dear Mr. Miller:

Thank you for your comments on the State of Indiana's 2004 Draft Consolidated Plan. The State worked hard to involve citizens and stakeholders in the planning process and thanks you for your contribution to the Plan.

You raised two main concerns in your letter: funding for affordable housing infrastructure and the allocation of HOME Investment Partnerships Program (HOME) dollars to the First Home Program.

The State's current allocation of Community Development Block Grant (CDBG) dollars for affordable housing infrastructure is based on historical demand for such projects. As noted in the 2004 Plan, the \$300,000 proposed allocation represents the amount that is likely to be allocated for this activity if grant applications are representative of those in past years. More or less might be spent on affordable housing infrastructure during the 2004 program year if demand for the projects differs from what it has been in the past. In the past, the use of CDBG funds for affordable housing infrastructure has not been the most efficient method of maximizing the amount of grant dollars that assist low income populations. As such, the State plans to leave the allocation goal at \$300,000 for the current program year.

The State's priority for the use of CDBG funds is to focus on preservation of affordable housing. This is accomplished through public infrastructure improvements that help low and moderate income populations receive adequate public services without substantial increases in costs.

Since program inception, IHFA has allocated approximately 73% of Indiana's HOME funds outside of participating jurisdictions and the remaining 27% within the participating jurisdiction areas.

The State will receive \$1,891,000 in funds from the American Dream Downpayment Initiative (ADDI) for Program Years 2003 and 2004, that will be allocated to assist low income, first time homebuyers acquire a home.

You will be pleased to know that for the 2004 program year, only 9 percent of HOME funds are proposed to be allocated to the State's First Home program.

Thank you again for your comments. We hope you will stay involved in future Consolidated Planning processes.

Sincerely,

Kelly Boe Manager, Finance and Administration

Indiana Department of Commerce

Sheryl Sharpe

Director of Operations

SharfM Sharpe

Indiana Housing Finance Authority

# TERRENCE J. KEUSCH, ESQ. PIONEER DEVELOPMENT SERVICES, INC. 3405 Oakton Circle Greenwood, Indiana 46143

Phone: (317) 422-9389 Fax: (317) 422-5246 E-mail: pioneerdev@insightbb.com

February 12, 2004

Ms. Kelly Boe Indiana Department of Commerce Controller's Office, Grants Management Division One North Capitol Ave., Suite 700 Indianapolis, IN 46204-2248

Re: 2004 Consolidated Plan

Dear Ms. Boe:

Thank you for providing the opportunity to comment on the 2004 Consolidated Plan for the State of Indiana.

My firm deals almost exclusively in the development of affordable housing projects in the State of Indiana and, as such, works with many nonprofit organizations around the state to foster affordable housing in their communities. Given the limited resources dedicated to affordable housing in Indiana, these organizations find it very difficult to develop rental properties that provide very affordable rents for low to moderate income individuals and families and that operate efficiently and effectively for the organizations. Therefore, I would like to take this opportunity to offer some suggestions for improving the 2004 Consolidated Plan.

First, there is an overwhelming use of CDBG CFF funds for water/sewer. While this activity is deemed a priority, it certainly is not such an overwhelming priority to the extent it is funded. As Priority 1, the proposed allocation for water/sewer is \$15,000,000; while as Priority 2, the proposed allocation for affordable housing infrastructure is merely \$300,000. This is an extreme disparity. I would suggest allocating at least \$1,000,000 (if not more) to affordable housing infrastructure. Consideration should also be given to transferring the responsibility of allocating these funds from IDOC to IHFA (whose mission is to foster affordable housing in Indiana) so as to streamline for developers the process of accessing funds earmarked for affordable housing.

Second, it seems that an inordinate percentage of the State's HOME allocation is dedicated to the First HOME program relative to the percentage dedicated to rental housing and special needs housing. The State of Indiana has one of the highest homeownership rates and one of the highest foreclosure rates in the country. In addition, approximately 1/3 of the renter households in the State of Indiana pay more than 30% of their household income for housing related expenses, creating an extreme financial burden on households. Re-allocating more of the State's HOME allocation from the First HOME program to rental housing and special needs housing will help nonprofits develop safe, decent, and truly affordable housing projects in their communities.

Thank you for your consideration.

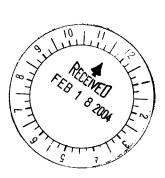
Sincerely,

President

Terrence J. Keusch

cc: The Honorable Kathy Davis, Lt. Governor The Honorable Denny Oxley, State Representative

The Honorable Lindel Hume, State Senator







May 12, 2004

Mr. Terrence J. Keusch Pioneer Development Services 3405 Oakton Circle Greenwood, Indiana 46143

Re: Comments on FY2004 Indiana Consolidated Plan Update

Dear Mr. Keusch:

Thank you for your comments on the State of Indiana's 2004 Draft Consolidated Plan. The State worked hard to involve citizens and stakeholders in the planning process and thanks you for your contribution to the Plan.

You raised two main concerns in your letter: funding for affordable housing infrastructure and the allocation of HOME investment Partnerships Program (HOME) dollars to the First Home Program.

The State's current allocation of Community Development Block Grant (CDBG) dollars for affordable housing infrastructure is based on historical demand for such projects. As noted in the 2004 Plan, the \$300,000 proposed allocation represents the amount that is likely to be allocated for this activity if grant applications are representative of those in past years. More or less might be spent on affordable housing infrastructure during the 2004 program year if demand for the projects differs from what it has been in the past. In the past, the use of CDBG funds for affordable housing infrastructure has not been the most efficient method of maximizing the amount of grant dollars that assist low income populations. As such, the State plans to leave the allocation goal at \$300,000 for the current program year.

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Thank you again for your comments. We hope you will stay involved in future Consolidated Planning processes.

Sincerely,

Kelly Boe

Manager, Finance and Administration Indiana Department of Commerce

Sheryl Sharpe

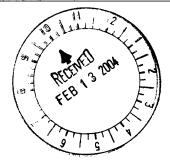
**Director of Operations** 

Sherzl M. Sharpe

Indiana Housing Finance Authority

February 12, 2004

Ms. Kelly Boe Indiana Department of Commerce Controller's Office, Grants Management Division One North Capitol Ave., Suite 700 Indianapolis, IN 46204-2248



Re: 2004 Consolidated Plan

Dear Ms. Boe:

I am writing to offer my comments regarding the preparation of the 2004 Consolidated Plan for the State of Indiana.

As a consultant working with multiple non-profit organizations around the state, I have experienced the challenges communities face in working with limited and fragmented resources to address the many community development needs in Indiana.

First, the 2003 consolidated plan earmarked \$300,000 for infrastructure in support of affordable housing. This amount is woefully inadequate and its control by the Indiana Department of Commerce ("IDOC") requires grant applicants to submit proposals to two separate funding agencies for a single project. As often happens, the funding rounds of both IDOC and the Indiana Housing Finance Authority ("IHFA") are on different cycles during the year. I would like to suggest the state's consideration for earmarking \$1,000,000 in CDBG funds for infrastructure in support of affordable housing. Furthermore, the transfer of these funds and this activity to the Indiana Housing Finance Authority would facilitate a more efficient method of accessing and utilizing these funds. This change would increase the CDBG funds allocated to IHFA from \$5,000,000 to \$6,000,000 and demonstrate a greater commitment to the many affordable housing needs in this state along with sustaining IDOC's historic commitment to infrastructure.

Second, the state of Indiana has one of the highest homeownership rates and foreclosure rates in the country while, according to the 2000 Census, 33.3% of the renter households in the state of Indiana are rent burdened because they pay more than 30% of their household income for housing related expenses. In 2003, IHFA committed 21% of the state's HOME allocation and (I believe) 100% of its annual dividend to the First HOME program. Furthermore, the HOME funds allocated to the state are intended to be for areas outside of participating jurisdictions that receive their own allocation of HOME funds. Although I do not have any statistics, I would assume (given the concentration of

8152 Castilla Drive • Indianapolis, IN 46236 • (317) 826-3488 Phone • (317) 826-8233 Fax www.milestoneventuresinc.com

population and participating lenders in urban areas) that a majority of the HOME funds used for the First HOME program are spent in major metropolitan areas that are already participating jurisdictions under the HOME program. I recommend that the commitment to the First HOME program be scaled back to 10% of the state's HOME allocation with the remaining HOME funds re-directed to address rental and special needs housing issues facing smaller communities in Indiana.

Thank you for the opportunity to provide recommendations for the 2004 Consolidated Plan Annual Update.

Sincerely.

Charles Heintzelman

Principal

cc: The Honorable Kathy Davis, Lt. Governor

The Honorable Brian Bosma, State Representative The Honorable James W. Merritt, Jr., State Senator



VENTURES, INC.

April 14, 2004

Ms. Kelly Boe Indiana Department of Commerce Controller's Office, Grants Management Division One North Capitol Ave., Suite 700 Indianapolis, IN 46204-2248

Re: 2004 Consolidated Plan

Dear Ms. Boe:

I am writing to offer my comments regarding the draft 2004 Consolidated Plan for the State of Indiana.

It is remarkable that community forum participants who took the time and effort to attend the input sessions ranked "Infrastructure in Support of Affordable Housing: as the third highest priority in the state, yet the 2004 draft plan has disregarded this input and earmarked just 1% (less than \$300,000) of the CDBG allocation for this activity. Furthermore, no apparent changes have been proposed to make accessing funds for this activity easier to use or coordinate with other housing related funds.

Neither previous application demand nor historical funding levels for Infrastructure in Support of Affordable Housing are reliable measures of the need for this activity. Infrastructure in Support of Affordable Housing has been identified as one of the top three community development needs for the past two years, yet it remains an activity that is given little importance, grossly underfunded, and procedurally difficult to utilize.

I urge the Indiana Department of Commerce to dedicate a minimum of \$1,000,000 in CDBG funds for Infrastructure in Support of Affordable Housing and transfer these funds and the administrative oversight of this activity to the Indiana Housing Finance Authority. This commitment would not only recognize a consistent articulated need in this state, but it would also eliminate the coordination barriers associated with IDOC and IFHA funding that exists under the current funding arrangement.

Thank you for the opportunity to provide comments on the 2004 Draft Consolidated Plan.

Sincerely,

Charles Heintzelman

Principal

8152 Castilla Drive • Indianapolis, IN 46236 • (317) 826-3488 Phone • (317) 826-8233 Fax www.milestoneventuresinc.com





May 12, 2004

Mr. Charles Heintzelman Milestone Ventures, Inc. 8152 Castilla Drive Indianapolis, Indiana 46236

Re: Comments on FY2004 Indiana Consolidated Plan Update

Dear Mr. Heintzelman:

Thank you for your comments on the State of Indiana's 2004 Draft Consolidated Plan. The State worked hard to involve citizens and stakeholders in the planning process and thanks you for your contribution to the Plan.

You raised two main concerns in your letter: funding for affordable housing infrastructure and the allocation of HOME Investment Partnerships Program (HOME) dollars to the First Home Program.

The State's current allocation of Community Development Block Grant (CDBG) dollars for affordable housing infrastructure is based on historical demand for such projects. As noted in the 2004 Plan, the \$300,000 proposed allocation represents the amount that is likely to be allocated for this activity if grant applications are representative of those in past years. More or less might be spent on affordable housing infrastructure during the 2004 program year if demand for the projects differs from what it has been in the past. In the past, the use of CDBG funds for affordable housing infrastructure has not been the most efficient method of maximizing the amount of grant dollars that assist low income populations. As such, the State plans to leave the allocation goal at \$300,000 for the current program year.

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The State will receive \$1,891,000 in funds from the American Dream Downpayment Initiative (ADDI) for Program Years 2003 and 2004, that will be allocated to assist low income, first time homebuyers acquire a home.

You will be pleased to know that for the 2004 program year, only 9 percent of HOME funds are proposed to be allocated to the State's First Home program.

Thank you again for your comments. We hope you will stay involved in future Consolidated Planning processes.

Sincerely,

Kelly Boe

Manager, Finance and Administration Indiana Department of Commerce

Sheryl M. Sharpe Sheryl Sharpe

Director of Operations

Indiana Housing Finance Authority



February 16, 2004

Kelly Boe Controller's Office, Grants Management Division Indiana Department of Commerce One North Capital Avenue, Suite 700 Indianapolis, IN 46204



#### Dear Ms. Boe

While members of my staff and I were able to participate in one of the meetings you hosted on the 2004 Consolidated Plan, I feel it is important to write and share with you some additional comments on the Plan.

Housing remains one of the most important quality of life issues in Hoosier communities. Any residents in the areas served by Area Five continue to struggle to find safe, decent and affordable housing. Our Agency works to address these issues, especially for low-and moderate-income households.

While most of the past efforts at our Agency have been directed toward creating new rental housing and home ownership opportunities, we our seeing a shift in the needs in the communities we serve in Cass, Fulton, Howard, Miami, Tipton, and Wabash counties. I am recommending that owner-occupied rehabilitation be recognized as a housing priority in the 2004 Consolidated Plan Annual Update.

Like most of Indiana, communities in the counties served by Area Five Agency consist largely of aging housing stock. The inability of many homeowners to maintain these older homes in an appropriate manner is a dilemma that these communities are struggling to address. The burden of these costs is shared by homeowners of every age group, every ethnic group, and many income levels. The problem only grows with time, as the homes continue to age and deteriorate, and is exacerbated by the increased tax burden placed on the owners of older homes under the recent reassessment.

## AGENCY ON AGING & COMMUNITY SERVICES

1801 SMITH STREET LOGANSPORT, IN 46947-1576 (574)722-4451 FAX (574)722-3447 In his recent State of the City address, Logansport Mayor Michael Fincher identified the rehabilitation of existing housing stock as a top priority of his new administration. He based this prioritization on his discussion with citizens of Logansport, on the finding of the community's Vision process, and on research done by the Logansport Housing Task Force. The proposal in 2003 of a new city Property Maintenance Ordinance was met by a chorus of cries from homeowners who would be required to make repairs under the ordinance but who do not have the ability to fund the repairs on their homes.

I use Logansport as an example, but the problem is widespread. According to the 2000 U.S. Census, the median construction date for owner-occupied housing in our state is 1966. In the heart of many of our cities, the average home is even older. What is a problem today promises to be a crisis in the near future if not addresses.

In addition to housing, our communities face other concerns, in keeping with the state's recent efforts to improve downtowns, our Agency recommends that downtown preservation be a priority in the 2004 Consolidated Plan Annual Update. There are a number of projects eligible for CDBG funds that can be instrumental in improving downtowns, including Streetscape projects, the creation of downtown housing – especially upper floor housing, historic preservation, and infrastructure improvements. Many Hoosier communities are small and medium towns; without a strong downtown, these communities lose the identities and the character that makes our hometowns special. Please allow us the tools to address the needs of these unique and diverse communities.

My thanks to you and to the other state agencies involved in the meetings and in the update of the 2004 Consolidated Plan. I appreciate the time and effort expended toward that task, and I thank you for the opportunity to make these comments.

Sincerely.

Therese Bath

Director of Development





May 21, 2004

Ms. Therese Bath
Director of Development
Agency on Aging & Community Services
1801 Smith Street
Logansport, IN 46947-1576

Re: Comments on FY2004 Indiana Consolidated Plan Update

Dear Ms. Bath:

Thank you for your comments on the State of Indiana's 2004 Draft Consolidated Plan. The State worked hard to involve citizens and stakeholders in the planning process and thanks you for your contribution to the Plan. Your input about the need for housing rehabilitation in your service areas is very valuable and will be incorporated into the planning process for the allocation of the HUD funds.

You will be happy to know that the 2004 Consolidated Plan gives priority to many of the activities you highlight in your letter. For 2004, the State has proposed over \$4 million be allocated to rehabilitation of owner occupied housing. In addition, Community Development Block Grant (CDBG) funds will remain available for downtown revitalization projects. However, because the CDBG regulations require that 70 percent of the grant funding be used to benefit low and moderate income populations, revitalization projects can be challenging to fund through CDBG.

Thank you again for your comments. We hope you will stay involved in future Consolidated Planning processes.

Sincerely,

Kelly Boe

Manager, Finance and Administration Indiana Department of Commerce

Sheryl Sharpe

**Director of Operations** 

Indiana Housing Finance Authority

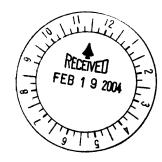
## FOUR COUNTY COUNSELING CENTER

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February 17, 2004

MAIN OFFICE 1015 Michigan Ave. Logansport, IN 46947-1597 Phone: 574-722-5151 Emergency: 1-800-552-3106 Fax: 574-722-9523 TTY: 574-722-5993

Consolidated Plan Indiana Department of Commerce Controller's Office Grants Management Division One North Capitol Avenue Suite 700 Indianapolis, IN 46204-2248



CASS COUNTY OUTPATIENT SERVICES 1807 Smith St. Logansport, IN 46947-1576 Phone: 574-732-1414 Fax: 574-732-0504

Dear Sirs;
I am direc

FULTON COUNTY 401 E 8" Street, Ste. A Rochester, IN 46975-1499 Phone: 574-223-8565 Fax: 574-223-8786 I am directing this correspondence to you to request that the State Housing Plan is drafted to support housing for the mentally ill disabled population. As the Executive Director of the Four County Counseling Center in Logansport, Indiana, we have been able to accumulate 31 apartments through various funding sources to provide housing for the clients that we serve in a four county area; those counties being Cass, Fulton, Pulaski, and Miami. We regularly have needs for approximately 25 to 40 additional apartment units for clients, which we have a great difficulty in placing.

MIAMI COUNTY 655 E. Main Street Peru, IN 46970-2662 Phone: 765-472-1931 Fax: 765-472-1945 With the Olmstead ruling by the Supreme Court, which has lowered the number of clients residing in the state hospitals, the critical need that we face in an effort to matriculate these people into the community, is housing. Indiana's 30 mental health centers provide a number of community-based resources for supporting of these individuals, with the exception of housing. In our particular area, we are competing with housing needs for workers from the local packing plant and therefore, there is a shortage. There is a critical need for additional single occupancy units, as well as a limited number of multiperson units.

PULASKI COUNTY 616 W. 11th St. Winamac, IN 46996-1208 Phone: 574-946-4233 Fax: 574-946-4365 We have worked closely in the past with the Area Five Council on Aging, who has been successful in obtaining a number of grants to provide funding for seniors, and assist us in renovating the local Masonic Lodge, which provided 23 housing units for the populations that we serve.











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I would advocate that the need is as serious in the rural areas as it is in the urban areas, simply due to the fact that we do not have the resources and employment available to provide disabled individuals with appropriate housing.

I had intended to attend the Rensselaer Public Hearing, but due to a conflict, I was unable to do so. My intention was to express my concerns and the concerns of our four counties at that meeting.

I would hope that in the drafting of our State Plan, you will make the appropriate comments and identify the fact that those individuals suffering from mental illness and chronic substance abuse are in grave need. I would support any and all efforts that could occur in this vital area.

Yours truly,

Lawrence R. Ulrich Executive Director/CEO



Mr. Lawrence Ulrich Executive Director/CEO Four County Counseling Center 1015 Michigan Avenue Logansport, IN 46947-1597

Re: Comments on FY2004 Indiana Consolidated Plan Update

Dear Mr. Ulrich:

Thank you for your comments on the State of Indiana's 2004 Draft Consolidated Plan. The State worked hard to involve citizens and stakeholders in the planning process and thanks you for your contribution to the Plan.

As part of the 2004 Consolidated Planning process, a survey of public housing authorities in primarily rural areas of the State was conducted to better understand the need for the development of additional affordable units and/or tenant based rental assistance. The results of the survey showed that specific housing needs varied depending on the community. As such, your input about the need for additional affordable units in your service areas is very valuable and will be incorporated into the planning process for the allocation of the HUD funds

The State's Housing from Shelters to Homeownership program, which is funded through Federal Community Development Block Grant and HOME Investment Partnerships Program grant dollars, provides funding for the rehabilitation and new construction of all types of affordable housing, from emergency shelters to permanent supportive housing. In 2004, more than \$10 million is proposed to be allocated to the rehabilitation and development of affordable housing through this program. To obtain more information about the program and how you can apply for funding, please consult the HOME Allocation Plan in Appendix G of the Consolidated Plan or the IHFA website at <a href="http://www.in.gov/ihfa/comdev/conplan/plan.htm">http://www.in.gov/ihfa/comdev/conplan/plan.htm</a>.

Thank you again for your comments. We hope you will stay involved in future Consolidated Planning processes.

Sincerely,

Sheryl M. Sharpe

Shengl M. Shanpe

Director of Operations



30 South Meridian Street, Suite 1000, Indianapolis, IN 46204 Telephone: (317) 232-7777 • Toll-Free Within Indiana: (800) 872-0371 • Facsimile: (317) 232-7778 WORLD WIDE WEB: http://www.indianahousing.org • Equal Opportunity Employer And Housing Agency PRINTED ON RECYCLED PAPER



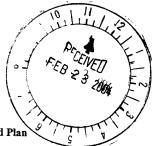
### RISING SUN & OHIO COUNTY SENIOR CITIZENS HOUSING, INC.

212 South Poplar Street Rising Sun, IN 47040

812-438-3521

February 18, 2004

Ms. Kelly Boe Indiana Department of Commerce Controller's Office, Grants Management Division One North Capitol Ave., Suite 700 Indianapolis, IN 46204-2248



Re:

2004 Consolidated Plan

Dear Ms. Boe:

As a non-profit organization working in Southeastern Indiana, we have experienced the challenges a small community faces in working with limited resources to meet the supply and demand of community development needs.

To support affordable housing in 2003 the plan supported infrastructure in the amount of \$300,000.00. Knowing this amount will only a small percentage of needs in the State of Indiana, wouldn't it be in the best interest of ("IDOC) Department of Commerce and ("IHFA") to work together to be able to provide grants on the same time frames as one another and not on different cycles? We, as a non-profit, highly recommend that the support for infrastructure for affordable housing be given a much higher amount than in previous years. We, as State Agencies, need to provide stronger commitments to affordable housing for the future of our communities to stay strong.

The State of Indiana needs greater support in affordable housing because we face one of the highest foreclosure rates in the country. Giving better education and guidance to our first-time homebuyers needs greater attention also. How many households pay more than 30% of their household income for housing related expenses? It seems every year this increases to a greater amount. We are the smallest county in the State of Indiana by size and population, and know that in the past that a significant portion of IHFA HOME funds are being spent in major metropolitan areas. We know from experience that rental and special needs housing issues continue to face smaller communities in Indiana at a greater percentage than the major metropolitan areas. What are we going to do to make this better for the smaller communities in our State?

Thank you for your consideration in allowing me to provide information to you that we face on a daily basis.

Sincerely.

timmy J. Tammy J. Johns Vice-President

The Honorable Kathy Davis, Lt. Governor

The Honorable Robert Bischoff, State Representative

The Honorable Johnny Nugent, State Senator





May 12, 2004

Ms. Tammy Johns Rising Sun & Ohio County Senior Citizens Housing, Inc. 212 South Poplar Street Rising Sun, Indiana 47040

Re: Comments on FY2004 Indiana Consolidated Plan Update

Dear Ms. Johns:

Thank you for your comments on the State of Indiana's 2004 Draft Consolidated Plan. The State worked hard to involve citizens and stakeholders in the planning process and thanks you for your contribution to the Plan.

The State's current allocation of Community Development Block Grant (CDBG) dollars for affordable housing infrastructure is based on historical demand for such projects. As noted in the 2004 Plan, the \$300,000 proposed allocation represents the amount that is likely to be allocated for this activity if grant applications are representative of those in past years. More or less might be spent on affordable housing infrastructure during the 2004 program year if demand for the projects differs from what it has been in the past. In the past, the use of CDBG funds for affordable housing infrastructure has not been the most efficient method of maximizing the amount of grant dollars that assist low income populations. As such, the State plans to leave the allocation goal at \$300,000 for the current program year.

The State's priority for the use of CDBG funds is to focus on preservation of affordable housing. This is accomplished through public infrastructure improvements that help low and moderate income populations receive adequate public services without substantial increases in costs.

Since program inception, IHFA has allocated approximately 73% of Indiana's HOME funds outside of participating jurisdictions and the remaining 27% within the participating jurisdiction areas.

The State will receive \$1,891,000 in funds from the American Dream Downpayment Initiative (ADDI) for Program Years 2003 and 2004, that will be allocated to assist low income, first time homebuyers acquire a home. In addition, during the 2004 program year, \$1,000,000 of HOME funds are proposed to be allocated to Homeownership Counseling and Downpayment Assistance.

Thank you again for your comments. We hope you will stay involved in future Consolidated Planning processes.

Sincerely,

Kelly Boe

Manager, Finance and Administration Indiana Department of Commerce

Sheryl Sharpe

**Director of Operations** 

SherylM. Sharpe

Indiana Housing Finance Authority



# Housing Opportunities, Inc.



2801 Evans Avenue • Valparaiso, IN 46383 • 219-462-3726 FAX: 219-464-9635 • www.portercohousing.org



February 23, 2004

Ms. Kelly Boe Indiana Department of Commerce Controller's Office, Grants Management Division One North Capitol Ave., Suite 700 Indianapolis, IN 46204-2248

Re: 2004 Consolidated Plan

Dear Ms. Boe:

I am writing to offer my comments regarding the preparation of the 2004 Consolidated Plan for the State of Indiana.

First, the 2003 consolidated plan earmarked \$300,000 for infrastructure in support of affordable housing. This amount is woefully inadequate and its control by the Indiana Department of Commerce ("IDOC") requires grant applicants to submit proposals to two separate funding agencies for a single project. As often happens, the funding rounds of both IDOC and the Indiana Housing Finance Authority ("IHFA") are on different cycles during the year. I would like to suggest the state's consideration for earmarking \$1,000,000 in CDBG funds for infrastructure in support of affordable housing. Furthermore, the transfer of these funds and this activity to the Indiana Housing Finance Authority would facilitate a more efficient method of accessing and utilizing these funds. This change would increase the CDBG funds allocated to IHFA from \$5,000,000 to \$6,000,000 and demonstrate a greater commitment to the many affordable housing needs in this state along with sustaining IDOC's historic commitment to infrastructure.

Second, the state of Indiana has one of the highest homeownership rates and foreclosure rates in the country while, according to the 2000 Census, 33.3% of the renter households in the state of Indiana are rent burdened because they pay more than 30% of their household income for housing related expenses. In 2003, IHFA committed 21% of the state's HOME allocation and (I believe) 100% of its annual dividend to the First HOME program. I recommend that the commitment to the First HOME program be scaled back to 10% of the state's HOME allocation with the remaining HOME funds re-directed to address rental and special needs housing issues facing smaller communities in Indiana.



Year after year, the priorities that are expressed in the public input process (surveys, forums and hearings) do not match the allocation plans that are implemented. As I have attended many of the consolidated plan meetings, housing is always the number one unmet need yet very few DOC dollars are allocated to housing. Why ask for our opinion if it is not going to be used for the plan and distribution of funds.

Thank you for the opportunity to provide recommendations for the 2004 Consolidated Plan Annual Update.

Sincerely,

Cardushok
Caroline Shook

Executive Director

cc: The Honorable Kathy Davis, Lt. Governor

The Honorable Duane Cheney, State Representative The Honorable Nancy Dembowski, State Senator





May 12, 2004

Ms. Shook Executive Director Housing Opportunities, Inc. 2801 Evans Avenue Valparaiso, Indiana 46383

Re: Comments on FY2004 Indiana Consolidated Plan Update

Dear Ms. Shook:

Thank you for your comments on the State of Indiana's 2004 Draft Consolidated Plan. The State worked hard to involve citizens and stakeholders in the planning process and thanks you for your contribution to the Plan.

You raised two main concerns in your letter: funding for affordable housing infrastructure and the allocation of HOME Investment Partnerships Program (HOME) dollars to the First Home Program.

The State's current allocation of Community Development Block Grant (CDBG) dollars for affordable housing infrastructure is based on historical demand for such projects. As noted in the 2004 Plan, the \$300,000 proposed allocation represents the amount that is likely to be allocated for this activity if grant applications are representative of those in past years. More or less might be spent on affordable housing infrastructure during the 2004 program year if demand for the projects differs from what it has been in the past. In the past, the use of CDBG funds for affordable housing infrastructure has not been the most efficient method of maximizing the amount of grant dollars that assist low income populations. As such, the State plans to leave the allocation goal at \$300,000 for the current program year.

The State's priority for the use of CDBG funds is to focus on preservation of affordable housing. This is accomplished through public infrastructure improvements that help low and moderate income populations receive adequate public services without substantial increases in costs.

Since program inception, IHFA has allocated approximately 73% of Indiana's HOME funds outside of participating jurisdictions and the remaining 27% within the participating jurisdiction areas.

The State will receive \$1,891,000 in funds from the American Dream Downpayment Initiative (ADDI) for Program Years 2003 and 2004, that will be allocated to assist low income, first time homebuyers acquire a home. You will be pleased to know that for the 2004 program year, only 9 percent of HOME funds are proposed to be allocated to the State's First Home program.

Thank you again for your comments. We hope you will stay involved in future Consolidated Planning processes.

Sincerely,

Kelly Boe

Manager, Finance and Administration Indiana Department of Commerce

Sheryl Sharpe

**Director of Operations** 

Sheryl M. Sharpe

Indiana Housing Finance Authority

## Providence Housing Corporation 8037 Unruh Drive Georgetown, Indiana 47122 812-951-1878

February 24, 2004

Ms. Kelly Boe Indiana Department of Commerce Controller's Office, Grants Management Division One North Capitol Avenue - Suite 700 Indianapolis, Indiana 46204-2248

Re: 2004 Consolidated Plan

Dear Ms. Boe:

The following comments address the preparation of the 2004 Consolidated Plan for the State of Indiana.

I am president of three not-for-profit corporations in Indiana. The first, Providence Self Sufficiency Ministries, Inc., Georgetown, is devoted to providing educational and family services to people in need. The other two, Providence Housing Corporation, West Terre Haute, and Guerin, Inc., Georgetown, provide safe, decent and affordable housing for children, families, and senior citizens. We consider all three corporations to be "needs driven." That is, we attempt to respond to the needs evident in each individual community.

Regardless of location, the Terre Haute area or southern Indiana, the need for safe and affordable housing continues, especially among young families, single parent families and the elderly. The foundation of Providence Housing Corporation was based in large part on a housing needs assessment conducted in 1998 that revealed that all of the homes in 54 blocks of the 70-block of area of downtown West Terre Haute had a minimum of nine (9) unsound or hazardous conditions per housing unit.

Metro areas of southern Indiana, especially Clark and Floyd counties, are reporting increasing housing costs and values and, for some, above average wages. However, residents of rural areas and small towns, like Georgetown, are discovering that it is increasingly difficult to maintain their own homes. In many instances, high utility costs resulting from outdated and deteriorating infrastructure increase the hardship of senior citizens and families with low-incomes.





None of the hardships related to housing can be eliminated or corrected quickly. Funding is crucial, especially when not-for-profit organizations are pioneering so many of the affordable housing rehabilitation/construction and community development projects.

Providence Housing Corporation is dependent upon grant funding for its projects in West Terre Haute, and has received truly wonderful support from the Department of Commerce and Indiana Housing Finance Authority. With these funds we have rehabilitated 22 homes and constructed 22 two-bedroom apartments for senior citizens and four single-family homes. We will continue providing affordable housing opportunities in the community as long as funding remains available.

Since 1999, Guerin, Inc., has received state funding support as it constructed two group homes for foster children; six apartments for families reuniting with children in foster care and families in danger of separation because they are homeless or live in substandard housing, and a training center office complex that is the site of adult literacy/GED instruction and other training programs. At this time, Guerin, Inc. is seeking additional funding to construct, also at Georgetown and adjacent to the Providence House for Children campus, a senior citizens center and apartments for low-income senior citizens, and, in the next few years, assisted living, adult/child day care and custodial/dementia care facilities. All will increase the quality of life for young and old alike in southern Indiana. The multi-generational programming Guerin, Inc., is creating encourages interaction and mentoring between foster children and senior citizens, provides residents of Floyd County with its first senior citizens center; and alleviates the shortage of safe, affordable housing for senior citizens.

Funding must continue to flow, if improvements to Indiana's infrastructure, housing and communities are to continue. It is my sincere and heartfelt hope that the 2004 Consolidated Plan reflects the importance of and the need for those life-changing projects already in process, and those in the beginning stages by giving funding priority to affordable housing; emergency shelter for families and youth; infrastructure, and elder care.

Thank you for allowing me to share my thoughts with you. With warm regards, I am

Sincerely,

Sister Barbara Ann Zeller, SP

President

CC: Lt. Governor Kathy Davis State Senator Connie Sipes State Representative Bill Cochran



May 21, 2004

Sister Barbara Ann Zeller President Providence Housing Corporation 8037 Unruh Drive Georgetown, IN 47122

Re: Comments on FY2004 Indiana Consolidated Plan Update

Dear Sister Zeller:

Thank you for your comments on the State of Indiana's 2004 Draft Consolidated Plan. The State worked hard to involve citizens and stakeholders in the planning process and thanks you for your contribution to the Plan.

The State appreciates the hard work of organizations like yours in providing affordable housing to Indiana's citizens in the most need. You will be happy to know that the 2004 Consolidated Plan give priority to many of the activities you highlight in your letter, including affordable housing preservation and development and emergency shelters for families and youth.

Thank you again for your comments. We hope you will stay involved in future Consolidated Planning processes.

Sincerely.

Sheryl M. Sharpe Director of Operations

E. Scott for







## AREA IV AGENCY ON AGING AND COMMUNITY ACTION PROGRAMS, INC.

February 26, 2004

Ms. Kelly Boe
Indiana Department of Commerce
Controller's Office, Grants Management Division
One North Capitol Ave., Suite 700
Indianapolis, IN 46204-2248

Re: 2004 Consolidated Plan

Dear Ms. Boe:

I am writing on behalf of Area IV Development, Inc., a non-profit affordable housing and community development developer, to offer my comments regarding the preparation of the 2004 Consolidated Plan for the State of Indiana. Area IV Development serves Tippecanoe and the surrounding seven (7) counties in northwest central Indiana.

As a non-profit developer, we have experienced the challenges in working with limited and fragmented resources to address the many affordable housing and community development needs in our service area.

First, the 2003 consolidated plan earmarked \$300,000 for infrastructure in support of affordable housing. This amount is woefully inadequate and its control by the Indiana Department of Commerce ("IDOC") requires grant applicants to submit proposals to two separate funding agencies for a single project. As often happens, the funding rounds of both IDOC and the Indiana Housing Finance Authority ("IHFA") are on different cycles during the year. I would like to suggest the state's consideration for earmarking \$1,000,000 in CDBG funds for infrastructure in support of affordable housing. Furthermore, the transfer of these funds and this activity to the Indiana Housing Finance Authority would facilitate a more efficient method of accessing and utilizing these funds. This change would increase the CDBG funds allocated to IHFA from \$5,000,000 to \$6,000,000 and demonstrate a greater commitment to the many affordable housing needs in this state along with sustaining IDOC's historic commitment to infrastructure.

Second, the state of Indiana has one of the highest homeownership rates and foreclosure rates in the country while, according to the 2000 Census, 33.3% of the renter households in the state of Indiana are rent burdened because they pay more than 30% of their household income for housing related expenses. In 2003, IHFA committed 21% of the state's HOME allocation and (I believe) 100% of its annual dividend to the First HOME program. Furthermore, the HOME funds allocated to the state are intended to be for

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areas outside of participating jurisdictions that receive their own allocation of HOME funds. Although I do not have any statistics, I would assume (given the concentration of population and participating lenders in urban areas) that a majority of the HOME funds used for the First HOME program are spent in major metropolitan areas that are already participating jurisdictions under the HOME program. I recommend that the commitment to the First HOME program be scaled back to 10% of the state's HOME allocation with the remaining HOME funds re-directed to address rental and special needs housing issues facing smaller communities in Indiana.

Thank you for the opportunity to provide recommendations for the 2004 Consolidated Plan Annual Update.

Sincerely,

Horge Chowance &

George Chovancek, AICP Housing Specialist

Gc/

cc: The Honorable Kathy Davis, Lt. Governor

The Honorable Sue Scholer, State Representative

The Honorable Sheila Klinker, State Representative

The Honorable Ron Alting, State Senator

The Honorable Brandt Hershman, State Senator





May 12, 2004

Mr. George Chovancek Housing Specialist Area IV, Agency on Aging 660 North 36<sup>th</sup> Street Lafayette, Indiana 47903-4727

Re: Comments on FY2004 Indiana Consolidated Plan Update

Dear Mr. Chovancek:

Thank you for your comments on the State of Indiana's 2004 Draft Consolidated Plan. The State worked hard to involve citizens and stakeholders in the planning process and thanks you for your contribution to the Plan.

You raised two main concerns in your letter: funding for affordable housing infrastructure and the allocation of HOME Investment Partnerships Program (HOME) dollars to the First Home Program.

The State's current allocation of Community Development Block Grant (CDBG) dollars for affordable housing infrastructure is based on historical demand for such projects. As noted in the 2004 Plan, the \$300,000 proposed allocation represents the amount that is likely to be allocated for this activity if grant applications are representative of those in past years. More or less might be spent on affordable housing infrastructure during the 2004 program year if demand for the projects differs from what it has been in the past. In the past, the use of CDBG funds for affordable housing infrastructure has not been the most efficient method of maximizing the amount of grant dollars that assist low income populations. As such, the State plans to leave the allocation goal at \$300,000 for the current program year.

The State's priority for the use of CDBG funds is to focus on preservation of affordable housing. This is accomplished through public infrastructure improvements that help low and moderate income populations receive adequate public services without substantial increases in costs.

Since program inception, IHFA has allocated approximately 73% of Indiana's HOME funds outside of participating jurisdictions and the remaining 27% within the participating jurisdiction areas.

The State will receive \$1,891,000 in funds from the American Dream Downpayment Initiative (ADDI) for Program Years 2003 and 2004, that will be allocated to assist low income, first time homebuyers acquire a home.

You will be pleased to know that for the 2004 program year, only 9 percent of HOME funds are proposed to be allocated to the State's First Home program.

Thank you again for your comments. We hope you will stay involved in future Consolidated Planning processes.

Sincerely,

Kelly Boe

Manager Figance and Admin

Manager, Finance and Administration Indiana Department of Commerce

**Authority** 

Sheryl Sharpe

Director of Operations Indiana Housing Finance

SherylM Sharpe



February 27, 2004

Ms. Kelly Boe Indiana Department of Commerce Controller's Office, Grants Management Division One North Capitol, Suite 700 Indianapolis, IN 46204-2248

RE: 2004 Consolidated Plan

Dear Ms. Boe:

Please accept this letter as Area 12 Council on Aging & Community Services, Inc., dba *Life*Time Housing Group's comments on the preparation of the 2004 Consolidated Plan for the State of Indiana. We appreciate the work and effort of you and your staff in the preparation of the Consolidated Plan and hope that you will incorporate some of our recommendations into the draft document.

As a not-for-profit Community Housing Development Organization working with six counties primarily in Southeastern Indiana, we are aware of housing and community development problems that would not be addressed in our service area without the assistance of the programs that are identified in the Consolidated Plan. We appreciate the efforts of the Indiana Housing Finance Authority and the Indiana Department of Commerce in partnering with local entities to solve these problems.

Our first recommendation is to remove the limitation on the amount of in-kind match that a community can contribute to a project. Twenty-five thousand dollars (\$25,000) is woefully low as a maximum for in-kind match. This \$25,000 maximum limitation has been in effect for at least the last twenty-three (23) years and it no longer is reflective of current economic circumstances.

Secondly, the State should consider increasing the amount of money that is set aside for infrastructure in support of housing from the current \$300,000. The State should also consider moving this grant making function over to the Indiana Housing Finance Authority so that it would be easier to synchronize a project that requires both HOME funds and infrastructure in support of housing funds.

Finally, the State should consider eliminating (or greatly reducing) the amount of HOME funds that it allocates to the First HOME program. HOME funds that are allocated to the State are intended to be used for areas outside of participating jurisdictions that receive their own allocation of HOME funds directly from the Department of Housing and Urban Development. It is our contention that a majority of First HOME funds are used by residents within large metropolitan areas and consequently the HOME funds that are



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contributed to the First HOME program are not reaching the areas of the State that they are meant to benefit. Freeing up these HOME funds for worthwhile projects in non-metropolitan areas would greatly benefit low-to-moderate income residents who live in Indiana's hinterlands.

Again, thank you for the opportunity to express our comments about the Consolidated Plan. We look forward to our continued partnerships with the Indiana Housing Finance Authority and the Indiana Department of Commerce and hope that you will favorably consider some of our recommendations.

Sincerely,

Ellen K. Davis

**Development Director** 

Cc: The Honorable Joseph Kernan, Governor

The Honorable Kathy Davis, Lt. Governor

The Honorable Johnny Nugent, State Senator

The Honorable James A. Lewis, State Senator

The Honorable Paul E. Allen, State Senator

The Honorable Robert A. Hoffman, State Representative

The Honorable Thomas E. Saunders, State Representative

The Honorable Phil Pflum, State Representative

The Honorable Cleo Duncan, State Representative

The Honorable Robert J. Bischoff, State Representative

The Honorable Markt L. Lytle, State Representative





RECEIVED

May 10, 2004

Ms. Ellen Davis LifeTime Housing Group 13091 Benedict Drive Dillsboro, Indiana 47018

Re: Comments on FY2004 Indiana Consolidated Plan Update

Dear Ms. Davis:

Thank you for your comments on the State of Indiana's 2004 Draft Consolidated Plan. The State worked hard to involve citizens and stakeholders in the planning process and thanks you for your contribution to the Plan.

You raised three main concerns in your letter: removing the limit on in-kind matches; funding for affordable housing infrastructure; and the allocation of HOME Investment Partnerships Program (HOME) dollars to the First Home Program.

The Department of Commerce is currently reviewing its policy on increasing the amount allowed for in-kind match. A decision should be made prior to Round I 2005.

The State's current allocation of Community Development Block Grant (CDBG) dollars for affordable housing infrastructure is based on historical demand for such projects. As noted in the 2004 Plan, the \$300,000 proposed allocation represents the amount that is likely to be allocated for this activity if grant applications are representative of those in past years. More or less might be spent on affordable housing infrastructure during the 2004 program year if demand for the projects differs from what it has been in the past. In the past, the use of CDBG funds for affordable housing infrastructure has not been the most efficient method of maximizing the amount of grant dollars that assist low income populations. As such, the State plans to leave the allocation goal at \$300,000 for the current program year.

The State's priority for the use of CDBG funds is to focus on preservation of affordable housing. This is accomplished through public infrastructure

improvements that help low and moderate income populations receive adequate public services without substantial increases in costs.

Since program inception, IHFA has allocated approximately 73% of Indiana's HOME funds outside of participating jurisdictions and the remaining 27% within the participating jurisdiction areas.

The State will receive \$1,891,000 in funds from the American Dream Downpayment Initiative (ADDI) for Program Years 2003 and 2004, that will be allocated to assist low income, first time homebuyers acquire a home. In the 2004 program year, only 9 percent of HOME funds are proposed to be allocated to the State's First Home program.

Thank you again for your comments. We hope you will stay involved in future Consolidated Planning processes.

Sincerely,

Kelly Boe Manager, Finance and Administration

Indiana Department of Commerce

Sheryl Sharpe

**Director of Operations** 

Indiana Housing Finance Authority

#### **Paula Lucas**

From:

Heidi Aggeler

Sent:

Monday, May 10, 2004 2:28 PM

To:

Paula Lucas

Subject:

FW: Comments on IN 2004 Draft Consolidated Plan for Housing



**IKE Cons Plan** Comments - 4-15-...

----Original Message----

From: Sheryl Sharpe [mailto:SSharpe@ihfa.state.in.us] Sent: Monday, April 19, 2004 10:46 AM To: BBC - Heidi Aggeler (E-mail)

Cc: Michelle Kincaid; Erika Scott; Lisa Coffman

Subject: FW: Comments on IN 2004 Draft Consolidated Plan for Housing

FYI - We need to get together on this end to discuss whether we will recommend any changes to the con plan based on these comments, but I wanted to go ahead & forward this to you in case you have any thoughts or suggestions.

----Original Message----

From: Mark Young

Sent: Friday, April 16, 2004 9:21 AM To: Kimberly Wize; Sheryl Sharpe

Subject: FW: Comments on IN 2004 Draft Consolidated Plan for Housing

----Original Message-----

From: Tom Neltner [mailto:neltner@ikecoalition.org]

Sent: Friday, April 16, 2004 9:07 AM

To: Erika Scott; Mark Young

Cc: John Hall; Jack Leonard; Matt Waldo; Paula Smith; Joan Ketterman; Dave McCormick; Karla Johnson; John Casey; Tom Neltner; Bill Beranek; Richard Van Frank; Don Ryan; Amy

Hesting; James Evans; Indra Frank

Subject: Comments on IN 2004 Draft Consolidated Plan for Housing

Erika and Mark,

Attached are IKE's comments on the Draft 2004 Consolidated Plan for Indiana. I will be mailing in the hard copy. I appreciate the opportunity!

Let me know if you have any questions or concerns.

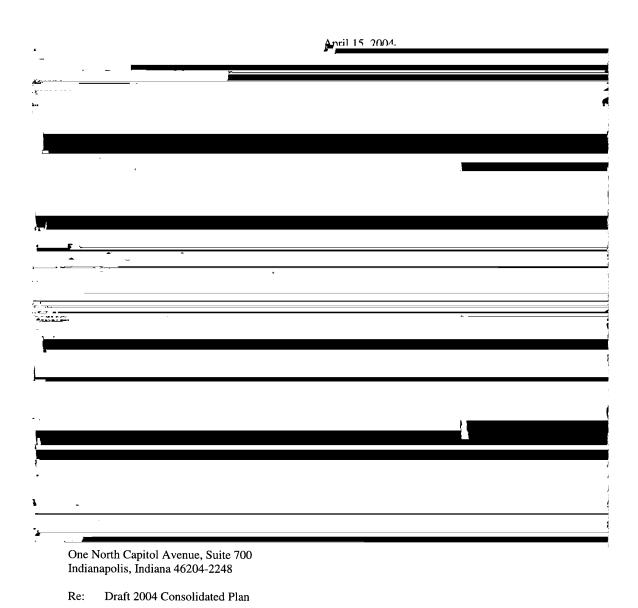
Tom Neltner Improving Kids' Environment 317-442-3973 Fax 317-283-6111 neltner@ikecoalition.org

Disclaimer - 4/19/2004

This email and any files transmitted with it are confidential and intended solely for BBC - Heidi Aggeler (E-mail), Michelle Kincaid, Erika Scott, Lisa Coffman. If you are not the named addressee you should not disseminate, distribute, copy or alter this email. Any views or opinions presented in this email are solely those of the author and might not

# Improving Kids' Environment

5244 Carrollton Avenue Indianapolis, IN 46220 www.ikecoalition.org Fax: 317-283-6111 317-442-3973 neltner@ikecoalition.org



To Whom It May Concerns

The lead poisoning information is seriously incomplete. It appears to have been an update from the last Plan with little acknowledgement to the accomplishments made. It continues to set very low goals for lead poisoning prevention.

Currently, housing redevelopment projects are avoiding old homes because of lead-based paint hazards. Rather than incur the additional costs to managing the lead consistent with state and federal rules, they are looking at other homes unlikely to have lead hazards. Yet, these older homes with lead continue to be occupied and to poison children. ISDH reports that 1300 homes have poisoned children at different times. Marion County Health Department has issued citations to reduce lead hazards in more than 1100 homes.

Our housing program has been forced to focus away from the homes that need help the most. The City of Indianapolis received a \$1.7 million grant in 2002 to try to avoid this distortion of priorities. It also applied for \$3.5 million more in 2003 to further supplement the effort. Unfortunately, HUD said "no" to the second grant. No other housing agency or community in Indiana has applied for HUD Lead Hazard Control Grants to prevention lead poisoning despite the need. Without more money and stronger objectives, we appear to be accepting the fact that these older homes cannot be addressing with CDBG or HOME funds. Too many children of residents in those homes appear consigned to be lead poisoned. In addition, the moisture that creates asthma triggers in a home also creates the deteriorated paint that leads to lead poisoning. Intact paint in good condition is not a significant threat to children's health.

We need an objective of aggressively pursuing HUD funding so all local redevelopment projects can set priorities based on the need of the residents and the community and not to avoid the cost of dealing with lead-based paint.

Rental housing is the highest risk. Between January 1, 2000 and July 31, 2003, Marion County Health Department issued citations for lead hazards to more than 200 residences. More than 99% of those homes were rental property. Many landlords – primarily the small landlords with less than 50 properties – seem unaware of their responsibility under IC 32-31-8-5 to comply with the housing code and to give the property to the tenant in safe condition. However, since lead hazards are often invisible, they are often ignored. Tenants are also often ignorant of their responsibilities.

The Consolidated Plan needs to acknowledge that the Indiana General Assembly adopted a law that went into effect in July 1, 2002 that established specific obligations for landlords and tenants. It also needs to establish an objective of aggressively educating both tenants and landlords of their responsibilities under the 2002 law. It also needs an objective of educating small claims court judges who handle these cases so the judges are aware of the law and have a sense of its application. Too often the tenant is goes to court without an attorney and is unable to make the proper case to the judge. We should find a way to resolve these problems through education and not protect only tenants who are wealthy enough to hire an attorney.

The 2002 Indiana General Assembly also adopted strong new restrictions on work practices at housing that mentioned only obliquely in the plan. It is now a Class D felony to dry-sand, dry-scrape or burn paint in housing built before 1960. It is also a Class D felony to leave painted debris behind after working on these homes. While there are exceptions, the plans omission on this issue is troubling.

The Consolidated Plan should set an objective of educating contractors and clients about the law and monitoring projects to ensure compliance with the law. Enforcement should be coordinated with the Indiana Department of Environmental Management.

The Consolidated Plan makes no reference to the most powerful tool to bring us out of ignorance when it comes to lead poisoning. If a buyer or a tenant is aware of the potential lead hazards, he or she can take steps to address the problem. For that reason, HUD requires disclosure of lead hazards to potential buyers and tenants. In the sales situation, the disclosure requirements appear to have been institutionalized. But in the rental situation, IKE's research indicates dismal compliance efforts. The Plan needs an objective of monitoring compliance with the HUD disclosure rules, educating its clients and contractors about the law, and ensuring that the documents identifying specific hazards in a home are given to buyers and tenants consistent with federal law. HUD is working hard to enforce the law but needs a local presence. Programs that use HUD funds to rehabilitate homes should be in a leading role in assuring compliance.

The U.S. Environmental Protection Agency also requires that a contractor notify the owner and occupant when more than two square feet of interior paint is disturbed. The contractor must give a special EPA booklet to the owner and the occupant and either must send it by certified mail or get a written acknowledgement of receipt. Few contractors are complying with this law. Like disclosure, the Plan needs an objective of monitoring compliance with the EPA's Pre-Renovation Notice rule, educating its clients and contractors about the law, and ensuring that the documentation is complete.

With these general comments in mind, attached are IKE's comments on the specific language in the draft Consolidated Plan.

Again, I appreciate the opportunity to comment on this plan. It is a challenge to cover the wide array of issues. The draft plan does a good job of addressing many. But the problems surrounding asthma and lead poisoning need more. The issue has evolved to a stage where the health of children across Indiana demands stronger objectives and commitments to protect their health.

For more information on the issues, please check out <a href="www.ikecoalition.org">www.ikecoalition.org</a> or contact me at 317-442-3973 or neltner@ikecoalition.org.

Sincerely,

Thomas G. Neltner, JD, CHMM Executive Director

### Comments on Specific Languages in the Draft Consolidated Plan Prepared by Tom Neltner of Improving Kids' Environment on April 15, 2004

The page references are to the PDF version of the document downloaded from IHFA's website at at <a href="https://www.in.gov/ihfa/comdev/conplan/plan.htm">www.in.gov/ihfa/comdev/conplan/plan.htm</a>. For more information, contact Tom Neltner at 317-442-3973 or <a href="mailto:neltner@ikecoalition.org">neltner@ikecoalition.org</a>. My comments are in italics.

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Homes built before 1940 on average have paint with 50 percent lead composition. Twenty percent of renters live in housing that was built pre-1940 and 20 percent of owners live in pre-1940 housing stock. Approximately, 8 percent of all renters earn less than 51 percent of the AMI and live in housing stock built pre-1940 while 4.6 percent of all owners live in the same conditions. Why is 1940 the date used in this paragraph? The Indiana General Assembly used a cutoff of 1960. Some programs in HUD and other agencies refer to 1950. The only program to use 1940 was the July round of HUD Lead Demonstration Grants which used pre-1940 rental property to identify the Top 75 eligible cities. The date and statistics should be changed to 1960.

I have no idea where the "50% lead composition" term comes from. Any lead containing more than 0.5% lead is considered by Indiana and HUD to be lead-based paint. While lead can make up 50% of the paint, it is unusual. I think what might have been intended is that 50% of the pre-1940 homes have lead-based paint in them. That is totally different that what is stated. Any lead-based paint would qualify.

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#### **Lead Based Paint Hazards**

As in 2003, the 2004 survey included several questions to determine how much of a problem lead based paint hazards are in communities. Survey respondents were provided with a scale of one to five to rank the increase in housing costs because of lead abatement, with one being the least and five being the most. Most survey respondents said that lead abatement procedures increase the cost of providing affordable housing a moderate to high amount. The distribution of responses is shown in Exhibit III-25

In addition, 72 percent of survey respondents said there were not adequate funds in their communities to address lead based paint hazards in housing, compared to 70 percent in 2003 and 77 percent in 2002. Over half of respondents agreed that there was a need for funds to address lead based paint in housing with poisoned children. Sixty-five percent of those surveyed said there was a need for a partnership between housing and health care providers to address lead based paint hazards — which is up from 60 percent in 2003 but down from 77 percent in 2002. Over the three-year study period, the survey questions do not indicate a worsening or improving trend for lead based paint hazards. However, because the percentages are high throughout this study period, there is a need for greater funding and attention directed at dealing with lead based paint hazards

I believe the survey question would have gotten even higher numbers if it asked whether the cost of lead-based paint hazard control caused the program to adjust its priorities. I believe that many respondents have simply adjusted their priorities to avoid homes with lead-based paint.

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Age. Age can also be a proxy for the condition of housing, especially the risk of lead-based paint. As discussed later in this section, units built before 1940 are most likely to contain lead based paint. Units built between 1940 to 1978 have a lesser risk (lead was removed from household paint after 1978), although many older units may have few if any problems depending on construction methods, renovation and other factors.

As noted before, 1940 is an improper cutoff. Housing built in the 1940s had lead hazards at only a slightly lower rate than before 1940. Keep in mind that lead-based paint was more expensive than other paint which limited its use during the depression. And lead was a valuable commodity during World War II. The paint industry voluntarily started phasing out lead-based paint in 1950. Exterior uses continued to dominate until 1960. The plan should be consistent with the Indiana General Assembly that used 1960.

Housing age data from the 2002 ACS indicate that almost 29 percent of the State's housing units, occupied or vacant, was built before 1940, when the risk of lead based paint is the highest. Approximately 70 percent of the housing stock was built before 1979. As of the 2000 Census, the median age of housing stock in the State was 34 years old. Exhibit IV-8 presents the distribution of housing units in the State by age.

Again, 1940 is the wrong date to use to properly characterize the hazards or target resources to protect children from lead poisoning.

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#### **Lead Safe Housing**

Environmental issues are also important to acknowledge when considering the availability, affordability and quality of housing. Exposure to lead based paint represents one of the most significant environmental threats from a housing perspective.

The hazard is from deteriorated lead-based paint and the lead dust on the floor and window sills as well as in the soil that pose the hazard. Intact lead-based paint is not the hazard.

Dangers of lead-based paint. Childhood lead poisoning is one of the major environmental health hazards facing American children today. As the most common high-dose source of lead exposure for children, lead-based paint was banned from residential paint in 1978. Housing built prior to 1978 is considered to have some risk, but housing built prior to 1940 is considered to have the highest risk. Children are exposed to lead poisoning through paint debris, dust and particles released into the air, which can be exacerbated during a renovation. Young children are most at risk because they have more hand-to-mouth activity and absorb more lead than adults.

Again, it should be 1960 not 1940. The danger is not from dust and particles released into the air. It is from the dust and particles that have settled on the floor or window sills where children consume them when playing on the floor. It is also from playing in contaminated soil. The dominant route of exposure is from ingestion not inhalation.

Excessive exposure to lead can slow or permanently damage the mental and physical development of children ages six and under. An elevated blood level of lead in young children can result in learning disabilities, behavioral problems, mental retardation and seizures. In adults, elevated levels can

decrease reaction time, cause weakness in fingers, wrists or ankles, and possibly affect memory or cause anemia. The severity of these results is dependent on the degree and duration of the elevated level of lead in the blood.

Lead-poisoned children have special housing needs. The primary treatment for lead poisoning is to remove the child from exposure to lead sources. This involves moving the child's family into temporary or permanent lead-safe housing. Lead-safe housing is the only effective medical treatment for poisoned children and is the primary means by which lead poisoning among young children can be prevented. Many communities have yet to plan and develop adequate facilities to house families who need protection from lead hazards.

**Extent of the problem.** Homes built before 1940 on average have paint with 50 percent lead composition. Inadequately maintained homes and apartments are more likely to suffer from a range of lead hazard problems, including chipped and peeling paint and weathered window surfaces.

See comments made above.

Approximately 1.8 million housing units in Indiana – more than 70 percent of the total housing stock – were built before 1978. About 540,000 units, or 21 percent of the housing stock, are pre-1940. Urban areas typically have the highest percentages of pre-1940 housing stock, although the State's non-entitlement areas together have about the same percentage of pre-1940 units as the State overall.

Lower income populations generally have more difficulty making repairs to their homes because of their income constraints and often live in older housing because it is usually the least expensive housing stock. This combination of factors make lower income populations most susceptible to leadbased paint hazards. One measure of the risk of lead-based paint risk in housing is the number of households that are both low income and live in older housing units. According to PUMS data, in 2002, there were 53,233 (8.1 percent) of all renter households that were very low income (earning less than 50 percent of the state median) and lived in housing stock built before 1940. There were also 77,919 (4.6 percent) of all owners with very low income and who lived in pre-1940 housing stock. These households are probably at the greatest risk for lead-based paint hazards.

This comment misses the point. Tenants do not want to put money into repairing deteriorated paint. The paint should be in good condition. It is the landlord's job according to state law since deteriorated paint is a violation of most housing codes and is a health hazard. Even if the tenant had the money, he or she are reluctant to use it to do the landlord's work.

The Centers for Disease Control and Prevention reports that from 1995 to 1999, 144,000 Indiana children were screened for lead. Nine percent of these children were determined to have elevated levels of lead in their blood. According to the Indiana State Department of Health, Indiana has more than 13,000 active cases of children with lead poisoning and more than 2 million homes with lead based paint. There is an average lifetime cost to taxpayers of \$250,000 per lead poisoned child.

There is more recent information. Since we are making progress in the fight against lead poisoning, it is important to use the latest information. According to the Indiana State Department of Health's report to the Indiana General Assembly, 35,087 blood lead samples were taken in 2003 for children

younger than seven years old. 691 children were confirmed as lead poisoned. Another 572 children failed a screening blood lead test and may or may not have been lead poisoned.

Therefore, addressing the problem through existing and new housing rehabilitation programs is fundamental to reach the Indiana and federal goal of eliminating childhood lead poisoning by the year 2010.

Available resources. The Residential Lead-Based Hazard Reduction Act of 1992 (commonly referred to as Title X) supports widespread prevention efforts of lead poisoning from lead-based paint. The Title X program provides grants of between \$1 million and \$6 million to states and local governments for lead abatement in privately owned housing or housing units on Superfund/Brownfield sites. Since the program's inception in 1993 through 2002, approximately \$703 million in grants have been awarded to 37 States and the District of Columbia.

The City of Indianapolis was the only Indiana community to apply for the grants. It received \$1.7 million in 2002 with the contract signed in 2003.

In addition to available funding from the Title X program, recent changes to the Community Development Block Grant (CDBG) program have added lead based paint abatement to eligible activities for CDBG funding. In order to receive Title X or CDBG funding, States must enact legislation regarding lead-based paint that includes requirements of accreditation or certification for contractors who remove lead-based paint. Indiana adopted such legislation in 1997 (Indiana Code, 13-17-14).

Recent changes? When were these changes?

The State of Indiana Department of Environmental Management (IDEM), in conjunction with the Department of Health and the Marion County Health Department, developed the "Lead for 2000" campaign. Initiated in 1998, the campaign was aimed at reducing the incidence of childhood exposure to harmful lead-based contaminants. Since 1998, IDEM has trained more than 100 lead assessors, and they have completed more than 1,300 lead assessments in homes and child care facilities. This effort entailed training lead-assessors, promoting awareness of the health risks that lead exposure presents, and educating families in methods that they can apply to minimize the risks presented by exposure to lead. These efforts are aimed at private homes as well as child-care facilities when children may be at risk.

Check with IDEM. I think the name of the program is wrong. I thought it was "2000 Families by 2000". IDEM has published the results of the program.

In September 2000, HUD adopted new requirements for lead evaluation of multifamily properties that are federally assisted for new applicants of mortgage insurance. In general, the regulations require the testing and repair of all of the properties acquired or rehabilitated through federal programs. In preparation for the new requirements, IHFA sent a list of the new requirements to its HOME and CDBG recipients and held a training to assist grantees with implementation of the new requirements in April and May of 2001.

The U.S Department of Energy updated its program guidelines and procedures in July 2002 of the Weatherization Assistance Program. This action updates guidance on health and safety issues and

provides lead-safe weatherization protocol work in buildings that might contain lead paints. In September 2000, the Department of Energy also updated its regulations for administration of the Weatherization Assistance Program. This update further protects residents of HUD program housing and other federally owned or assisted homes from the dangers of lead-based paint by ensuring proper remediation and mitigation protocol when weatherizing these units.

Indiana's Weatherization program goes far beyond the federal minimum when it comes to lead-based paint hazards during weatherization. Community Action Agencies received training and XRF equipment so they could properly identify lead-based paint and lead hazards. FSSA has adopted specific policies and procedures to protect children.

For several years, IHFA has provided funding to The Indiana Association of Community Economic Development and the Environmental Management Institute (EMI) to provide lead inspection, risk assessor and lead supervision training, certification, and refresher courses. EMI is the State's largest provider of lead hazard training and offers supervisor, risk assessor and inspector training throughout the State.

In addition, EMI and Improving Kid's Environment (IKE) conducted the second annual Lead-Safe Conference in October 2003, which provided information about improving compliance with lead hazard reduction methods. Two organizations offered accredited lead risk assessor training and lead inspector refresher training as part of the annual conference.

Only lead refresher training was offered. No initial training was offered. The refresher training was for supervisor and risk assessor and not inspector.

A major challenge in mitigating lead hazards in Indiana has been increasing the number of abatement contractors. During 2002, two major changes were made to improve Indiana's numbers:

- IDEM recently streamlined its contractor licensing process; and
- EMI and IKE worked together to clarify the type of insurance required by IDEM for contractors. IDEM had been suggesting that contractors purchase specialty insurance that was cost prohibitive.

The rule change took place in October 2003 not 2002. I believe the clarification on insurance occurred in April of 2003.

On October 10, 2003, Indiana placed revisions to its lead-based paint activities rules. These revisions amended rules concerning the licensing of individuals and contractors engaged in lead-based paint and training activities. It also added and repealed text concerning work practice standards for nonabatement activities.

I am not sure what text was repealed, but the addition was significant and deserves an explanation. Actually, the rule change did not impose any new requirements. It simply captured requirements already established in statute by the 2002 Indiana General Assembly which adopted strong new restrictions on work practices at housing. It is now a Class D felony to dry-sand, dry-scrape or burn paint in housing built before 1960. It is also a Class D felony to leave painted debris behind after working on these homes. While there are exceptions, the omission of this law in the Plan is troubling.

A plan is also being developed by the Indiana State Department of Health's Lead Elimination Plan Action Committee (EPAC) to eliminate lead poisoning in Indiana by 2010. The U.S. Centers for Disease Control and Prevention expects a draft plan in 2004.

The plan must be finalized by June 2004.

#### Page 214 of 358

**g.** Continue working to reduce the environmental hazards in housing, including lead based paint risks.

- Action Items to be Monitored. The Committee will support a team effort between IACED
  and IHFA to provide lead inspectors and assessors certification courses and training to
  grantees about the hazards of lead based paint and safe work practices.
- Also, the Committee will work to understand why the training for lead abatement contractor certification is being underutilized, despite a need for such contractors in nonentitlement communities.
- Accomplishments. In 2002, the training program was completed. IACED and IHFA have
  determined that there is not a need for the training every year; training will likely be held
  every two to three years.
- During 2004, IHFA added another eligible activity in the Housing From Shelters to Homeownership application package, which is Voluntary Acquisition/Demolition of developments where: 1) Structure is located in the floodplain that sustained substantial damage (50% or more); 2) Structures located within the flood way; or 3) Structures located within the flood fringe (below protection elevation).

See cover letter for specific objectives that need to be added. Also, the training for abatement contractors is underutilized because it is not needed. Few homes are triggering the threshold where abatement is required. To my knowledge, only Fort Wayne and Bloomington have experienced problems with abatement contractors. Thanks to various IHFA supported efforts and the local programs persistence, those gaps have generally been filled. It is tough to get interest without demand and the increased number of abatement contractors in 2003 helped meet the demand.

However, training on HUD-approved lead-safe work practices is occurring and attendance is strong. That – and supervisor training are much more important.

The accomplishments does not mention:

- IHFA's support for four to six Indiana Lead-Safe and Healthy Homes newsletters distributed by email or fax to more than 600 people each year at no cost.
- IHFA's support for the Lead-Safe Indiana Task Force which convenes stakeholders quarterly to discuss issue.
- The four brochures IDEM supported that defined the legal responsibilities regarding lead-based paint for contractors, property managers, risk assessors, and building permit holders.
- The City of Indianapolis' receipt of a \$1.7 million Lead Hazard Control Grant from HUD.
- General Assembly's adoption of prohibitions on dangerous work practices involving lead and its requirement to clean-up debris.
- IDEM's rewrite of its lead-based paint activities rule to improve compliance and access to resources especially in areas of Indiana adjacent to cities across the border that have licensed people.
- HUD's support for a project to improve disclosure enforcement in rental property.



May 11, 2004

Mr. Thomas G. Neltner Executive Director Improving Kids' Environment 5244 Carrolton Avenue Indianapolis, Indiana 46220

Re: Comments on FY2004 Indiana Consolidated Plan Update

Dear Mr. Neltner:

Thank you for your comments on the State of Indiana's 2004 Draft Consolidated Plan. The State worked hard to involve citizens and stakeholders in the planning process and thanks you for your contribution to the Plan.

Although the 2004 Plan is only an annual update to the State's Five Year Consolidated Plan, the State does make every effort to add the most recent information and data on the State's needs to every update. The information in the lead-based paint section was reviewed and new information was added to the 2004 Plan, including many of the details you included in your letter. We trust that you will find the lead-based paint hazards section in the revised plan up to date and complete.

You will also be pleased to know that the State has added a section to the 2004 Consolidated Plan on Environmental Issues that includes Asthma and Lead Based Paint. In this section, activities of the Indiana Joint Asthma Council (INJAC) are described.

In your letter, you proposed a number of recommendations for State activities related to environmental hazards in housing. In response to many of your comments:

- In past years, the Indiana Housing Finance Authority (IHFA) has adjusted the amount of dollars eligible for rehabilitation to include the costs of lead-based paint cleanup.
- In addition, IHFA monitors compliance with HUD rules for disclosure of lead hazards and includes in manuals and documents to grantees information about how to identify lead based paint hazards.
- As you acknowledged in your letter, Niles Parker from the Indiana Department of Commerce serves on INJAC. The Consolidated Plan Coordinating Committee will ask Mr. Parker to keep the Committee abreast of the activities in INJAC. In addition, the Committee will ask a representative from the Indiana Department of Environmental Management (IDEM) to brief the Committee on issues of lead-based paint and asthma in housing and communities during the upcoming program year, to



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facilitate better coordination of Consolidated Planning activities with IDEM initiatives and projects.

Thank you again for your comments. We hope you will stay involved in future Consolidated Planning processes.

Sincerely,

Sheryl M. Sharpe Director of Operations

SherylM Sharpe

#### Paula Lucas

From: Heidi Aggeler

Sent: Monday, May 10, 2004 2:28 PM To: Paula Lucas Subject: FW: Comments on Consolidated Plan

----Original Message----

From: Sheryl Sharpe [mailto:SSharpe@ihfa.state.in.us] Sent: Monday, April 19, 2004 10:47 AM To: BBC - Heidi Aggeler (E-mail) Cc: Erika Scott; Michelle Kincaid

Subject: FW: Comments on Consolidated Plan

Here's another comment we received directly.

----Original Message----

From: Kimberly Wize

Sent: Wednesday, April 14, 2004 3:55 PM

To: Cobb Nancy

Cc: Erika Scott; Michelle Kincaid; Mark Young; Sheryl Sharpe

Subject: Comments on Consolidated Plan

Thank you for your comments, I will forward them on to our staff for review and consideration and they will follow up with you if they have any questions. If you have any questions, please contact Mark, Erika Scott, Allocation Manager or Michelle Kincaid, Compliance Manager. Thanks

Kimberly Wize

----Original Message----

From: Cobb Nancy

Sent: Wednesday, April 14, 2004 1:46 PM To: Kimberly Wize

Subject: Comments on Consolidated Plan

Thank you for your time this morning. Your comments and suggestions were very helpful and the opportunities for collaborating together at both the state and local levels are exciting.

Below are our comments. I hope they are they are stated in a way that is understandable. The "shoulds" are, of course, from out point of view.

ICLPPP'S SPECIFIC COMMENTS ON DRAFT PLAN

Lead-safe housing issues are discussed briefly in Section IV, pages 12-14 and in Section VI, page 13.

1.Section V - Section IV, page 12, paragraph 5 begins with the statement "Lead-poisoned children have special housing needs." However, there is no mention of lead-poisoned children in Section V, which is entitled "Special Needs Populations." Lead-poisoned children should be listed as a separate category in Section V. Programs could be identified that can assist this population. Dwellings of lead poisoned children could be prioritized for rehabilitation and remediation.

2. Section VI, page 13 - The objective states that the State will "Continue working to reduce the environmental hazards in housing, including lead based paint risks." However, the only action item mentioned is to monitor and continue existing training activities.

1

Funding of actual hazard control and relocation assistance activities should be a component of the plan. There could be a list of the programs in the plan under "g" (including HOME, IDA, Rental Housing Tax Credit, and Transitional Housing) that will incorporate lead hazard control as a top program priority.

3.Section VI, page 15 - A new letter "f" could be added that states that the Indiana Department of Commerce and IHFA will work to include in awards made to domestic violence and homeless shelters stipulations for childhood blood lead testing as a component of the award. Award recipients would arrange for an initial risk assessment by an Indianalicensed risk assessor, in order to determine if lead hazards are present in the shelters that would put children at risk.

Again, thank you. It was a pleasure getting to know you and IHFA's work better.

Nancy Cobb, Director Lead and Children's Environmental Health Indiana State Department of Health 2 N. Meridian Street, 5J Indianapolis, IN 46204 P 317/234-2273 F 317/233-1630 ncobb@isdh.state.in.us

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May 11, 2004

Nancy Cobb, Director Lead and Children's Environmental Health Indiana State Department of Health 2 North Meridian Street, 5J Indianapolis, Indiana 46204

Re: Comments on FY2004 Indiana Consolidated Plan Update

Dear Ms. Cobb:

Thank you for your email about ICLPPP's comments on the 2004 Draft Consolidated Plan.

You suggested a number of activities for the State to undertake related to mitigating lead-based paint risk in housing.

Lead-poisoned children. In your email, you recommend adding lead-poisoned children as a special needs population in the Consolidated Plan. In the 2004 Update, the State included Youth as a special needs population for Consolidated Planning purposes for the first time. Currently, lead-based paint hazards of children are discussed in the Plan's lead-based paint section. The State intends to add a discussion of the housing and community needs of lead-poisoned children in future Consolidated Plans.

Funding for lead-based paint activities. In addition to monitoring and training, the State helps to mitigate lead-based paint hazards by providing funds to organizations that do rehabilitation work in housing, including addressing lead-based paint hazards.

Shelters and lead-based paint hazards. The Community Development Block Grant funds that are allocated to emergency shelters may be used to construct new shelters, which do not have leadbased paint hazards or may be used to rehabilitate existing shelters. For rehabilitation, this may include lead-based paint reduction activities. The State cannot require children staying in shelters to have blood tests.

Thank you for your thoughtful comments about the Plan. We hope you will stay involved in the process in the future.

Sincerely,

Sheryl M. Sharpe

Sheryl M. Sharpe

Director of Operations



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#### Heidi Aggeler

From: Sent: To:

Erika Scott [EScott@ihfa.state.in.us] Monday, May 03, 2004 8:49 AM Heidi Aggeler

Subject:

FW: [WWW] Consolidated Plan 2003

----Original Message----From: Nicholas A. Murphy

Sent: Monday, May 03, 2004 8:41 AM

To: Erika Scott

Subject: FW: [WWW] Consolidated Plan 2003

----Original Message----

From: Marcy Wenzler [mailto:marcy.wenzler@ilsi.net] Sent: Friday, April 30, 2004 10:30 PM To: Nicholas A. Murphy

Subject: [WWW] Consolidated Plan 2003

subject: Consolidated Plan 2003

Name: Marcy Wenzler

Organization: Indiana Legal Services, Inc.

Email: marcy.wenzler@ilsi.net

Comments:

There's a great need to do more to get the word out about this process(especially for this upcoming 5 yr plan). I'm quite involved locally &statewide on housing issues (within and outside Indiana LegalServices), including active involvement in our local Continuum of Care consortium in Bloomington which meets monthly (the HousingNetwork). It seems very difficult to find out in advance the specificsof the process and when we can expect to participate. The regionalhearings are always in small communities, so it's not surprising thatonly 134 people were heard at 6 forums. The IACED/ICHHI joint annualconference is a perfect time to have a session describing this process& how we can be involved, as well as to actually hold a hearing tosolicit participants' ideas as to how to address these needs. Thereare hundreds of people there, many of whom would like to comment, andwe are probably at our best thinking during the conference when we'vehad a chance to network & talk about current issues.

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heavily "marketed" to by brokers & others who offer debt consolidation, etc.that jeopardizes the equity in their homes.

In prevention of predatory lending, especially as to all the loans orgrants that are funded by these agencies, I suggest that the programsbe required to have the beneficiaries of the funding get counselingbefore they can re-finance their loans or mortgage their homes. Toooften the agency, whether it's IHFA or a CAA, simply gets a call froma company or a client that wants a payoff figure on the loan so theycan get that "debt consolidation" loan that's going to make their lifeeasier by lowering their payments. If they were required to have thedocuments reviewed before re-financing, as I've done with severalclients, they'd find out the full extent of the fees & costs & otherprovisions, such as prepayment penalties or balloon payments or falseinfo on the applications or padded appraisals, that would likeloydissuade them from re-financing. At the same time, Indiana needs tohave a rescue fund that will allow people to get decent terms inre-financing when they've been the victim of predatory lending.

It was good to survey PHAs, but would have been helpful to survey PHAtenants. This could be done thru local resident councils, for example, at a minimum or the statewide resident council association. These arefolks who know a lot about housing & community development needs & impediments, but have very little ability to give input into thisprocess. Since PHAs have to do 5 yr & annual plans as well (which aresupposed to be coordinated with local plans), tenants are a logical source to solicit for info. Perhaps more coordination with HUD to getinfo out to tenants would be helpful.

Nationwide, there is a lot of attention being paid to manufacturedhousing as a significant component of addressing the lack ofaffordable housing for low-income people. Spearheaded by the FordFoundation, it would be good if Indiana was part of that process &made use of current research & analysis about the availability &promotion of such housing.

There is a need to better support the regional Continuum of Careconsortiums, including making available some funding for staff supportthat would make the coordination process more viable.

There is a huge need for training & education about fair housing, especially as it affects people with disabilities. It's been myunfortunate experience to be continually exposed to subsidized housingmanagers, public housing authority staff, even state agency staff whoinvestigate fair housing, who seem to have no idea about the specificsof reasonable accommodation for PWDs. The common view of "discrimination" is that if you treat someone of a different race, forexample, different than you treat another person, then it'sdiscrimination. While this is true for most categories, it is not truefor a reasonable accommodation of a PWD, where the legal obligation isto make an individual determination of a specific person's request foraccommodation and specifically treat that person differently than youwould someone else. If you don't, that's discrimination. Thewidespread lack of information about how that works impacts hundredsof disabled Hoosiers, both physically disabled and especially mentallydisabled, every day; people who are losing their homes unnecessarily. The state should be putting money into getting training for staff, whether it's the ICRC or Section 8 or PHAs, on this topic.

Thank you for the chance to comment. It was very educational to readthe draft & I look forward to increased participation & input in thefuture & using the document in our work.

B1: Submit

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#### Heidi Aggeler

Erika Scott [EScott@ihfa.state.in.us] From: Friday, May 21, 2004 9:35 AM Sent:

To: Heidi Aggeler

Subject: FW: [WWW] Consolidated Plan 2003

Response e-mailed to Marcy Wenzler.

----Original Message----

From: Erika Scott

Sent: Friday, May 21, 2004 10:33 AM

To: 'marcy.wenzler@ilsi.net'

Subject: FW: [WWW] Consolidated Plan 2003

Dear Ms. Wenzler:

Thank you for your suggestions for increasing public input into the State Consolidated

The Citizen Participation Process for the 2004 Update included a mailing of more than 4,000 flyers announcing the public forums to local government officials, nonprofits, housing and community development professionals, social service providers and others. Information about the process was also posted on the websites of the Department of Commerce and the Indiana Housing Finance Authority and public notices were distributed in advance of the public hearings.

The public forms and hearings are held in small communities for two reasons: 1) These communities are the target of much of the HUD grant funding and 2) To avoid confusing the statewide Consolidated Plan process with similar processes in entitlement communities.

Thank you for the information about your predatory lending research. This information could be very useful during the upcoming 5 year Consolidated Planning process. We look forward to learning more about predatory lending and fair housing issues from you during the next planning period.

Sincerely,

Erika E. Scott Allocation Manager Indiana Housing Finance Authority 1-800-872-0371

----Original Message----

From: Marcy Wenzler [mailto:marcy.wenzler@ilsi.net]

Sent: Friday, April 30, 2004 10:30 PM To: Nicholas A. Murphy

Subject: [WWW] Consolidated Plan 2003

subject: Consolidated Plan 2003

Name: Marcy Wenzler

Organization: Indiana Legal Services, Inc.

Email: marcy.wenzler@ilsi.net

Comments:

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#### INDIANA UNIVERSITY



INDIANA INSTITUTE ON DISABILITY AND COMMUNITY

Formerly the Institute for the Study of Developmental Disabilities April 30, 2004

Ms. Kelly Boe
Consolidated Plan
Indiana Department of Commerce
Controller's Office, Grants Management Division
One North Capitol Avenue, Suite 700
Indianapolis, IN 46204-2248

Dear Ms. Boe;

On behalf of the Back Home in Indiana Alliance, I am submitting a number of recommendations for the State Consolldated Plan, and for the use of federal HOME, CDBG, ESG and HOPWA funds. The Back Home in Indiana Alliance supports the use of these federal housing dollars to increase the availability of individualized and dispersed, affordable and accessible housing (rental or ownership) for people with disabilities.

People with low incomes and disabilities share a common need for safe and affordable permanent housing. The on-going challenge for many of these individuals is that they live on fixed or very limited incomes – often Supplemental Security Income (SSI) or Social Security Disability Income (SSDI). Access to typical, decent housing (homeownership and rental) is severely limited for many, and for those receiving SSI benefits, there continues to be not one single housing market in the U.S. where a person could afford to rent an efficiency or one bedroom apartment. (Source: Priced Out in 2000: The Housing Crisis Continues)

To increase the availability of individualized and dispersed, affordable and accessible rental housing the following use of funds, and incentives for housing developers is recommended:

Direct a portion of HOME funds for tenant based rental assistance. Rental housing often is permanent housing for people with very low incomes and disabilities. Using HOME funds to relieve the long waiting lists for Section 8 Housing Choice Vouchers directs a portion of these funds to the needlest households. In addition, the use of these funds could increase the availability of housing that is individualized and dispersed. A tenant based rental assistance program could assist individuals who need to be able to choose the location of their housing – housing that may be near public transportation, family members and other informal supports, support service providers, shopping, employment and other aspects of community life.

2853 Fasi Tenth Street Bloomington, Indiana 47408-2696

812-855-6508 Fax: 812-855-9630 TDD: 812-855-9396

A University Affiliated Program Committed to the Full Inclusion of Persons with Distribition IND DEPT OF COMMERCE

SENT BY: CCLC TIDC;

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In other words, tenant based rental assistance could enable a person to live in the community with the supports needed, rather than live in an institutionalized setting.

- The Consolidated Plan should guide PHAs to maximize the Section & Housing Choice Voucher program for people with disabilities by submitting applications to HUD for the Section 8 Mainstream Voucher program. As the Public Housing Agency (PHA) Plans are to be consistent with the Consolidated Plan, this directive may help to increase the availability of individualized and dispersed housing.
- Establish incentives for housing developers to leverage HUD 811 dollars, in combination with HOME and CDBG funds, to create affordable and/or accessible housing units within federally funded affordable rental properties.
- Leverage the use of Section 8 project based funds with HOME funds to
  increase the availability of affordable units for people with very low incomes and
  disabilities. It is suggested that a coordinated effort by IHFA, IDOC, and FSSA be
  established to determine how to blend the various federal affordable housing
  resources to address the housing crisis facing people with disabilities.
- Expand the use of HOPWA funds for tenant based rental assistance.
- Provide incentives for developers to construct more than the minimum requirement of accessible units for people with mobility, hearing and visual impairments in federally funded housing.
- Increase the amount of CDBG funds available for the development of affordable and accessible housing units, including home modifications.

To increase the availability of individualized and dispersed, affordable and accessible homeownership opportunities the following use of funds is recommended:

- Increase the amount of down payment assistance up to \$15,000 for people
  with low incomes and disabilities. People with SSI and SSDI, and with Medicaid
  coverage, are prohibited from accumulating savings (beyond minimal levels) and
  maintaining their disability related benefits.
- Given the low homeownership rate of people with disabilities direct a portion of HOME funds to assist people become first-time homebuyers.
- The Consolidated Plan should guide PHAs to implement the Section 8
   Homeownership program. This may be the only avenue for ownership and accessible housing for many people with disabilities.

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• Homeownership education and counselling is a critical component for first time homebuyers, including those with disabilities. A greater investment in the administrative costs of these programs continues to be recommended. The Neighborhood Reinvestment Corporation estimates that the average cost to administer a homeownership education and counseling program is between \$75,000 - \$100,000 per year, assuming that there is one full time counselor.

A 2001 Freddie Mac study indicates that this is a good investment of limited resources. Borrowers who received group counseling on average were found in a 90-day period to have a 19% lower delinquency rate. Borrowers who received individual counseling were found to have a 34% reduction rate in delinquency. Given the high rate of foreclosures in Indiana, the investment in counseling is a proven effective strategy to inform, protect and support homebuyers.

- Related to the need for homeownership counseling, is the need for adequate administrative funding support for non-profit housing organizations to invest the time required to develop affordable and accessible housing for people with very low to low incomes and disabilities. A blended funding approach and coordination across a number of organizations is typically needed to create affordable housing for people at or below 30% of median income. This is difficult and time consuming to accomplish.
- Invest funds in home repairs for current homeowners to maintain safe, decent and stable housing through CHDOs. Expand the availability of home repair funds by developing an IHFA homeowner loan program and by blending the HOME funds with IHFA's mortgage programs.

To increase the availability of individualized and dispersed, affordable and accessible homeownership and rental opportunities the following is recommended:

• Establish a home modification program as a new funding source to provide grants to local entities to carry out home modification programs that enable low and moderate income persons with disabilities to make the necessary modifications to their current home to make the home accessible. (See the Pennsylvania Access Grant Program administered by the Pennsylvania Department of Community and Economic Development for a state model).

Thank you for the opportunity for input into the ConPlan.

Sincerely,

Deborah McCarty Project Coordinator

Back Home in Indiana Alliance

Deborah Milait

3



May 11, 2004

Ms. Deborah McCarty Indiana Institute on Disability and Community 2853 East Tenth Street Bloomington, IN 47408-2696

Re: Comments on FY2004 Indiana Consolidated Plan Update

Dear Ms. McCarty:

Thank you for your comments on the State of Indiana's Draft Consolidated Plan. As you know, the State worked hard to involve citizens and stakeholders in the planning process and appreciates your contribution to the Plan.

You propose a number of solutions to increase the availability of affordable and accessible rental and homeownership housing. In response to many of your comments:

- You will be pleased to know that during the 2004 program year, the State has proposed that \$405,000 of Housing Opportunities for Persons with AIDS (HOPWA) funding be used for rental assistance, which is expected to benefit 170 households. In addition, the State is currently researching the need for a broader tenant based rental assistance program (TBRA) and will continue to do so during the FY2004 program year. It should be noted that HUD regulations limit TBRA to two years for programs funded through the HOME grant.
- The State will receive \$1,891,000 in funds from the American Dream Downpayment Initiative (ADDI) for Program Years 2003 and 2004, that will be allocated to assist low income, first time homebuyers acquire a home.
- The State is also monitoring the use and allocation of Section 8 vouchers in rural areas and continued funding of this program on the national level.

You and others have compiled a number of interesting proposals to improve housing conditions of persons with disabilities. Please know that the Consolidated Plan Coordinating Committee will take your other comments into consideration during future planning processes.

Sincerely,

Sheryl M. Sharpe Director of Operations

SherylM Sharpe



30 SOUTH MERIDIAN STREET, SUITE 1000, INDIANAPOLIS, IN 46204 Telephone: (317) 232-7777 • Toll-Free Within Indiana: (800) 872-0371 • Facsimile: (317) 232-7778 WORLD WIDE WEB: HTTP://www.indianahousing.org • Equal Opportunity Employer And Housing Agency PRINTED ON RECYCLED PAPER



# APPENDIX F. Fair Housing

## APPENDIX F. Fair Lending/Housing Report

This appendix contains an analysis of home loan data, recent Indiana fair housing legislation, Indiana's high mortgage foreclosure rate, and federal fair housing cases, which collectively highlight recent fair lending and fair housing concerns in the State. The section also contains information about recent fair housing activities funded by the State.

#### Home Mortgage Disclosure Act (HMDA) Data Analysis

HMDA data consist of information about mortgage loan applications for financial institutions, savings and loans, savings banks, credit unions and some mortgage companies. The data contain information about the location, dollar amount, and types of loans made, as well as racial and ethnic information, income, and credit characteristics of all loan applicants. The data are available for home purchases, loan refinances, and home improvement loans.

HMDA data can provide a picture of how different applicant types fare in the mortgage lending process. These data can be used to identify areas of potential concern that may warrant further investigations. For example, by comparing loan approval rates of minority applicants with non-minorities that have similar income and credit characteristics, areas of potential discrimination may be detected.

The Federal Reserve is the primary regulator of compliance with fair lending regulations. When federal regulators examine financial institutions, they use HMDA data to determine if applicants of a certain gender, race or ethnicity are rejected at statistically significant higher rates than applicants with other characteristics. The Federal Reserve uses a combination of sophisticated statistical modeling and loan file sampling and review to detect lending discrimination.

The HMDA data tables in this section present summary HMDA data for six of Indiana's smaller Metropolitan Statistical Areas (MSA). (HMDA data are not available for small areas in the State of for the State overall). The areas included are: Bloomington MSA, Elkhart-Goshen MSA, Kokomo MSA, Lafayette MSA, Muncie MSA and Terre Haute MSA. It should be noted that discriminatory practices cannot be definitively identified from a review of aggregate HMDA data. Lending discrimination tests require detailed statistical analyses and comparative tests of individual loan files. However, examinations of denial rates and general applicant characteristics can suggest areas for further examination.

\_

Financial institutions are required to report HMDA data if they have assets of more than \$32 million, have a branch office in a metropolitan area, and originated at least one home purchase or refinance loan in the reporting calendar year. Mortgage companies are required to report HMDA if they are for-profit institutions, had home purchase loan originations exceeding 10 percent of all loan obligations in the past year, are located in an MSA (or originated five or more home purchase loans in an MSA) and either had more than \$10 million in assets or made at least 100 home purchase or refinance loans in the calendar year.

**Loan applications and action taken.** The most recent HMDA data available are for the 2002 calendar year. During 2002, there were 2,908 government guaranteed home mortgage loan applications made in the six MSAs and 13,588 conventional loan applications.

Eighty-one percent of the applications for government guaranteed loans were originated and 8 percent of these applications were denied. Conventional home purchase loans had an origination rate of 72 percent with 14 percent of the applications denied. (Higher origination rates for government guaranteed loans are typical, since these loans provide more flexible underwriting standards).

**Approval rates by race and income.** HMDA data are also available by race and income for the six small Indiana MSAs. Approval rates on government-backed and conventional mortgage loans are shown in Exhibits F-1 and F-2.

As would be expected, approval rates tend to increase as incomes rise. Applicants who were Native American and where race was not available showed the lowest approval rates for low income categories and total applicants for conventional loans. Whites and Asians had the highest approval rates for conventional loans, and approval rates for African Americans and Hispanics tended to be lower than Whites across income categories. For government guaranteed loans, approval rates were similar for race and ethnic categories.

Exhibit F-1.

Government Guaranteed Home Mortgage Loan Origination Rates by Race/Ethnicity and Income, Indiana Small MSAs, 2002

							Low Income	Applicants	(<80% of Me	dian)				
Race/Ethnicity	Blooming	ton MSA	Elkhart-Go:	shen MSA	Kokomo	o MSA	Lafayet	te MSA	Muncie	MSA	Terre Ha	ute MSA	Total of S	Six MSAs
	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received
American Indian/														
Alaskan Native	N/A	0	100%	1	N/A	0	N/A	0	N/A	0	N/A	0	100%	1
Asian/Pacific Islander	50%	2	N/A	0	100%	1	100%	5	100%	1	N/A	0	89%	9
African American	0%	1	82%	11	89%	9	72%	18	75%	8	100%	3	78%	50
Hispanic	100%	4	82%	114	100%	8	77%	66	100%	2	N/A	0	82%	194
White	68%	132	75%	293	83%	269	81%	406	85%	189	87%	180	80%	1,469
Other	N/A	0	N/A	0	100%	4	100%	1	N/A	0	N/A	0	100%	5
oint	0%	2	83%	6	100%	2	90%	10	100%	1	N/A	0	81%	21
Not Available	33%	3	65%	20	71%	21	68%	34	69%	13	60%	10	66%	101
Total	67%	144	77%	445	83%	314	80%	540	84%	214	85%	193	80%	1,850
					Moder	ate, Middl	e and Upper	Income App	olicants (80%	of Median	or Greater)			
Race/Ethnicity	Blooming	ton MSA	Elkhart-Goshen MSA Kokomo		o MSA	SA Lafayette MSA		Muncie MSA		Terre Ha	ute MSA	Total of Six MSAs		
	% Loans	Apps	% Loans	Apps	% Loans	Apps	% Loans	Apps	% Loans	Apps	% Loans	Apps	% Loans	Apps
	Originated	Received	Originated	Received	Originated	Received	Originated	Received	Originated	Received	Originated	Received	Originated	Received
American Indian/														
Alaskan Native	N/A	0	N/A	0	N/A	0	N/A	0	0%	1	100%	1	50%	2
Asian/Pacific Islander	N/A	0	100%	1	100%	1	75%	4	100%	2	N/A	0	88%	8
African American	67%	3	100%	i	80%	15	88%	8	78%	9	50%	4	78%	40
Hispanic	100%	2	100%	13	67%	3	88%	8	N/A	0	100%	2	93%	28
White	81%	113	83%	126	82%	136	84%	233	86%	144	89%	132	84%	884
Other	N/A	0	N/A	0	67%	3	50%	2	N/A	0	N/A	0	60%	5
loint	100%	3	50%	4	100%	2	86%	7	50%	2	80%	5	78%	23
Not Available	82%	11	33%	9	67%	9	95%	21	38%	8	60%	10	69%	68
Total	82%	132	81%	154	80%	169	84%	283	83%	166	86%	154	83%	1,058
								Total Appli	icants					
Race/Ethnicity	Blooming	ton MSA	Elkhart-Go:	then MSA	Kokome	n MSA	Lafayet	ω MSΔ	Muncie	MSA	Terre Ha	uto MSA	Total of S	Siv MSAs
Ruce/ Etimicity	% Loans	Apps	% Loans	Apps	% Loans	Apps	% Loans	Apps	% Loans	Apps	% Loans	Apps	% Loans	Apps
	Originated		Originated	Received	Originated	Received	Originated	Received	Originated	Received	Originated	Received	Originated	Received
American Indian/														
Alaskan Native	N/A	0	100%	1	N/A	0	N/A	0	0%	1	100%	1	67%	3
Asian/Pacific Islander	50%		100%	i	100%	2	N/A 89%	9	100%	3		0	88%	17
		2						-			N/A			
African American	50%	4	83%	12	83%	24	77%	26	76%	17	71%	7	78%	90
Hispanic	100%	6	84%	127	91%	11	78%	74	100%	2	100%	2	83%	222
White	74%	245	78%	419	83%	405	82%	639	86%	333	88%	312	82%	2,353
Other	N/A	0	N/A	0	86%	7	67%	3	N/A	0	N/A	0	80%	10
Joint	60%	5	70%	10	100%	4	88%	17	67%	3	80%	5	80%	44
Not Available	71%	14	55%	<u>29</u>	70%	30	78%	<u>55</u>	57%	<u>21</u>	60%	<u>20</u>	67%	<u>169</u>
Total	74%	276	78%	599	82%	483	81%	823	83%	380	86%	347	81%	2.908

Note: N/A means no applications were received.

Median household income refers to the MSA's median household income.

Source: FFIEC HMDA Aggregate Reports, 2002, and BBC Research & Consulting.

Exhibit F-2.
Conventional Home Mortgage Loan Origination Rates by Race/Ethnicity and Income, Indiana Small MSAs, 2002

							Low Income A	Applicants (	<80% of Med	lian)				
Race/Ethnicity	Blooming	ton MSA	Elkhart-Go	shen MSA	Kokom	o MSA	Lafayet	te MSA	Muncie	MSA	Terre Ha	ute MSA	Total of S	ix MSAs
	% Loans Originated	Apps Received	% Loans Originated	Apps Received										
American Indian/														
Alaskan Native	0%	1	50%	2	50%	2	0%	4	20%	5	N/A	0	21%	14
Asian/Pacific Islander	56%	9	62%	21	0%	1	67%	9	50%	4	67%	6	60%	50
African American	67%	6	50%	26	45%	11	56%	9	43%	23	42%	19	48%	94
Hispanic	57%	7	61%	123	100%	4	59%	68	71%	7	67%	3	61%	212
White	68%	583	70%	1,177	69%	661	76%	837	70%	562	64%	791	70%	4,611
Other	71%	7	25%	4	40%	5	40%	5	75%	4	80%	5	57%	30
loint	50%	2	50%	10	71%	7	60%	15	75%	4	50%	4	60%	42
Not Available	26%	96	25%	208	33%	89	25%	134	30%	97	27%	122	27%	746
Total	62%	711	63%	1,571	65%	780	68%	1,081	63%	706	59%	950	63%	5,799
					Modera	ite, Middle	and Upper I	ncome App	licants (80%	of Median	or Greater)			
Race/Ethnicity	Blooming	ton MSA	Elkhart-Go	shen MSA	Kokom	o MSA	Lafayet	te MSA	Muncie	MSA	Terre Ha	aute MSA Total of Six MSAs		
	% Loans	Apps	% Loans	Apps										
		• • •	Originated	Received			Originated	Received	Originated		Originated		Originated	Received
American Indian/														
Alaskan Native	100%	2	100%	1	N/A	0	100%	2	100%	1	0%	2	75%	8
Asian/Pacific Islander	80%	25	86%	14	100%	10	91%	35	88%	8	100%	9	89%	101
African American	56%	16	60%	25	82%	28	50%	10	73%	30	64%	22	67%	131
Hispanic	100%	4	66%	44	75%	4	59%	22	100%	1	50%	6	65%	81
White	77%	1,048	84%	1,262	83%	824	85%	1.356	80%	926	76%	1,150	81%	6,566
Other	82%	1,048	71%	7	50%	4	85%	1,556	71%	7	82%	1,130	77%	53
loint	91%	34	94%	34	80%	5	79%	34	57%	14	86%	14	84%	135
Not Available	65%	111		105	58%	93	63%	150	47%	92	44%	133		684
			46%										54%	
Total	//%	1,251	80%	1,492	80%	968	82%	1,622	77%	1,079	73%	1,347	78%	7,759
							-	Total Applic	ants					
Race/Ethnicity	Blooming	ton MSA	Elkhart-Go	shen MSA	Kokom	o MSA	Lafayet	te MSA	Muncie	MSA	Terre Ha	ute MSA	Total of S	ix MSAs
	% Loans Originated	Apps Received	% Loans Originated	Apps Received										
American Indian/														
Allaskan Native	67%	3	67%	3	50%	2	33%	6	33%	6	0%	2	41%	22
	74%	34	71%	35	91%					12	87%	15		
Asian/Pacific Islander						11	86%	44	75%				79%	151
African American	59%	22	55%	51	72%	39	53%	19	60%	53	54%	41 9	59%	225
Hispanic	73%	11	62%	167	88%	8	59%	90	75%	8	56%	-	62%	293
White	74%	1,631	77%	2,439	77%	1,485	81%	2,193	76%	1,488	71%	1,941	76%	11,177
Other	78%	18	55%	11	44%	9	72%	18	73%	11	81%	16	70%	83
Joint	89%	36	84%	44	75%	12	73%	49	61%	18	78%	18	79%	177
Not Available	47%	207	32%	313	46%	182	45%	284	38%	<u>189</u>	36%	255	40%	1,430
Total	71%	1,962	71%	3,063	73%	1,748	76%	2,703	71%	1,785	67%	2,297	72%	13,558

Note: N/A means no applications were received.

Median household income refers to the MSA's median household income.

Source: FFIEC HMDA Aggregate Reports, 2002, and BBC Research & Consulting.

BBC RESEARCH & CONSULTING

DRAFT APPENDIX F, PAGE 4

**Denial rates by race and income.** Exhibits F-3 and F-4 on the following pages present *denial* rates by race and ethnicity, categorized by income level and loan type for the six MSAs. It is important to note that the number of loan applications were relatively small for the following groups: American Indian/Alaskan Native, Asian/Pacific Islander, the "Other" category and the "Joint" category. As such, caution should be used in interpreting data about these racial and ethnic groups.

For government guaranteed home purchase loans, as shown in Exhibit F-3, applicants where race was not available, applicants of joint race and African Americans had the highest denial rates of 12 to 15 percent. Among low-income applicants, applicants where race was not available had the highest denial rates (18 percent), followed by applicants with joint race (14 percent). African American applicants had the highest denial rate among higher income applicants (18 percent).

Exhibit F-3.

Government Guaranteed Home Mortgage Loan Denial Rates by Race/Ethnicity and Income, Indiana Small MSAs, 2002

						L	ow Income A	pplicants (	<80% of Med	ian)				
Race/Ethnicity	Blooming	ton MSA	Elkhart-Go	shen MSA	Kokom	MSA	Lafayet	te MSA	Muncie	MSA	Terre Ha	ute MSA	Total of S	Six MSAs
	% Loans Originated	Apps Received												
American Indian/														
Alaskan Native	N/A	0	0%	1	N/A	0	N/A	0	N/A	0	N/A	0	0%	1
Asian/Pacific Islander	50%	2	N/A	0	0%	1	0%	5	0%	1	N/A	0	11%	9
African American	100%	1	9%	11	0%	9	11%	18	0%	8	0%	3	8%	50
Hispanic	0%	4	10%	114	0%	8	14%	66	0%	2	N/A	0	10%	194
White	13%	132	8%	293	10%	269	11%	406	3%	189	7%	180	9%	1,469
Other	N/A	0	N/A	0	0%	4	0%	1	N/A	0	N/A	0	0%	. 5
Joint	100%	2	0%	6	0%	2	10%	10	0%	1	N/A	0	14%	21
Not Available	0%	3	20%	20	19%	21	24%	34	15%	13	0%	10	18%	101
Total	15%	144	9%	445	10%	314	12%	540	4%	214	6%	193	9%	1,850
					Modera	te, Middle	and Upper In	ncome Appl	icants (80% o	of Median	or Greater)			
Race/Ethnicity	Blooming	ton MSA	Elkhart-Go	shen MSA	Kokom	o MSA	Lafayet	te MSA	Muncie	MSA	Terre Ha	ute MSA	Total of Six MSAs	
	% Loans Originated	Apps	% Loans Originated	Apps Received	% Loans	Apps	% Loans	Apps Received	% Loans	Apps	% Loans Originated	Apps Received	% Loans	Apps
	Originated	Received												
American Indian/														
Alaskan Native	N/A	0	N/A	0	N/A	0	N/A	0	0%	1	0%	1	0%	2
Asian/Pacific Islander	N/A	0	0%	1	0%	1	0%	4	0%	2	N/A	0	0%	8
African American	33%	3	0%	1	20%	15	13%	8	11%	9	25%	4	18%	40
Hispanic	0%	2	0%	13	33%	3	13%	8	N/A	0	0%	2	7%	28
White	5%	113	6%	126	7%	136	9%	233	5%	144	2%	132	6%	884
Other	N/A	0	N/A	0	0%	3	0%	2	N/A	0	N/A	0	0%	5
Joint	0%	3	25%	4	0%	2	0%	7	50%	2	20%	5	13%	23
Not Available	9%	11	33%	9	22%	9	0%	21	13%	<u>8</u>	10%	<u>10</u>	12%	68
Total	6%	132	7%	154	9%	169	8%	283	6%	166	3%	154	7%	1,058
							1	otal Applic	ants					
Race/Ethnicity	Blooming	ton MSA	Elkhart-Go	shen MSA	Kokom	o MSA	Lafayet	te MSA	Muncie	MSA	Terre Ha	ute MSA	Total of	Six MSAs
	% Loans	Apps												
	Originated	Keceived	Originated	Received	Originated	Keceived	Originated	Received	Originated	Keceived	Originated	Received	Originated	Keceived
American Indian/														
Alaskan Native	N/A	0	0%	1	N/A	0	N/A	0	0%	1	0%	1	0%	3
Asian/Pacific Islander	50%	2	0%	1	0%	2	0%	9	0%	3	N/A	0	6%	17
African American	50%	4	8%	12	13%	24	12%	26	6%	17	14%	7	12%	90
Hispanic	0%	6	9%	127	9%	11	14%	74	0%	2	0%	2	10%	222
White	9%	245	7%	419	9%	405	10%	639	4%	333	4%	312	8%	2,353
Other	N/A	Ö	N/A	0	0%	7	0%	3	N/A	0	N/A	0	0%	10
	40%	5	10%	10	0%	4	6%	17	33%	3	20%	5	14%	44
Joint														
Joint Not Available	7%	14	24%	29	20%	30	15%	55	14%	21	5%	20	15%	169

Note: N/A means there were no applications received.

Median household income refers to the MSA's median household income.

Source: FFIEC HMDA Aggregate Reports, 2002, and BBC Research & Consulting.

Exhibit F-4 shows conventional loan denial rates during 2002 for the six MSAs and perhaps portrays more accurate denial rates, as there are more applications for most racial and ethnic groups. Among low-income applicants for conventional loans, American Indians/Alaska Natives had high denial rates of 64 percent and applicants where race was not available had a 47 percent denial rate. Slightly lower denial rates were found for African Americans (38 percent) and Hispanic (27 percent) applicants. Among higher income applicants, Hispanic applicants and applicants where race was not available had the highest denial rates of 20 percent each followed by African Americans (15 percent).

Exhibit F-4.
Conventional Home Mortgage Loan Denial Rates by Race/Ethnicity and Income, Indiana Small MSAs, 2002

							Low Income	Applicants (	(<80% of Me	dian)				
Race/Ethnicity	Blooming	ton MSA	Elkhart-Go	shen MSA	Kokom	o MSA	Lafayet	te MSA	Muncie	MSA	Terre Ha	ute MSA	Total of	Six MSAs
	% Loans Originated	Apps Received												
American Indian/														
Alaskan Native	100%	1	50%	2	50%	2	100%	4	40%	5	N/A	0	64%	14
Asian/Pacific Islander	33%	9	14%	21	100%	1	11%	9	25%	4	17%	6	20%	50
African American	17%	6	35%	26	36%	11	44%	9	48%	23	37%	19	38%	94
Hispanic	0%	7	29%	123	0%	4	31%	68	14%	7	0%	3	27%	212
White	18%	583	16%	1,177	14%	661	14%	837	16%	562	20%	791	16%	4,611
Other	0%	7	50%	4	40%	5	0%	5	0%	4	0%	5	13%	30
Joint	50%	2	20%	10	29%	7	13%	15	0%	4	25%	4	19%	42
Not Available	46%	96	52%	208	42%	89	53%	134	43%	97	42%	122	47%	746
Total	22%	711	22%	1,571	18%	780	20%	1,081	21%	706	23%	950	21%	5,799
					Moder	ate, Middle	and Upper I	ncome App	licants (80%	of Median	or Greater)			
Race/Ethnicity	Blooming	ton MSA	Elkhart-Go	shen MSA	Kokom	o MSA	Lafayet	te MSA	Muncie	MSA	Terre Ha	ute MSA	Total of Six MSAs	
	% Loans	Apps												
	Originated	Received												
American Indian/														
Alaskan Native	0%	2	0%	1	N/A	0	0%	2	0%	1	0%	2	0%	8
Asian/Pacific Islander	0%	25	0%	14	0%	10	0%	35	0%	8	0%	9	0%	101
African American	6%	16	36%	25	11%	28	10%	10	13%	30	9%	22	15%	131
Hispanic	0%	4	23%	44	25%	4	14%	22	0%	1	33%	6	20%	81
White	6%	1,048	6%	1,262	6%	824	5%	1,356	7%	926	9%	1,150	7%	6,566
Other	9%	11	14%	7	0%	4	8%	13	14%	7	18%	11	11%	53
Joint	0%	34	0%	34	20%	5	3%	34	21%	14	7%	14	4%	135
Not Available	9%	111	35%	105	14%	93	16%	150	22%	92	25%	133	20%	684
Total	6%	1,251	9%	1,492	7%	968	6%	1,622	9%	1,079	11%	1,347	8%	7,759
								Total Appli	cants					
Race/Ethnicity	Blooming	ton MSA	Elkhart-Go	shen MSA	Kokom	o MSA	Lafayet	te MSA	Muncie	MSA	Terre Ha	ute MSA	Total of	Six MSAs
	% Loans Originated	Apps Received	% Loans Originated	Apps Received										
	. <b>J</b>		. J		. 3		. J		. J		. J		. <b>J</b>	
American Indian/	2571		277						255					
Alaskan Native	33%	3	33%	3	50%	2	67%	6	33%	6	0%	2	41%	22
Asian/Pacific Islander	9%	34	9%	35	9%	11	2%	44	8%	12	7%	15	7%	151
African American	9%	22	35%	51	18%	39	26%	19	28%	53	22%	41	25%	225
Hispanic	0%	11	28%	167	13%	8	27%	90	13%	8	22%	9	25%	293
White	11%	1,631	11%	2,439	10%	1,485	8%	2,193	11%	1,488	14%	1,941	11%	11,177
Other	6%	18	27%	11	22%	9	6%	18	9%	11	13%	16	12%	83
Joint	3%	36	5%	44	25%	12	6%	49	17%	18	11%	18	8%	177
Not Available	26%	207	46%	313	27%	182	33%	284	33%	<u>189</u>	33%	<u>255</u>	34%	1,430
Total	12%	1,962	16%	3,063	12%	1.748	12%	2.703	14%	1.785	16%	2.297	14%	13,558

Note: N/A means there were no applications received.

Median household income refers to the MSA's median household income.

Source: FFIEC HMDA Aggregate Reports, 2002, and BBC Research & Consulting.

**Reasons for denial.** HMDA data also contain summary information on the reasons for denial by type of loan and applicant characteristics, which can help explain some of the variation in approval rates among applicants. Exhibits F-5 and F-6 show the reasons for denials of 2002 loan applications for government insured and conventional home purchase loans. The numbers in boldface type represent the most common reason for denial for each group of applicants.

Exhibit F-5.

Government Guaranteed Loans Reasons for Denial, Indiana Small MSAs, 2002

MSA	Bloomington MSA	Elkhart- Goshen MSA	Kokomo MSA	Lafayette MSA	Muncie MSA	Terre Haute MSA
Debt-to-Income Ratio	13%	27%	26%	20%	24%	24%
Employment History	4%	4%	3%	3%	0%	12%
Credit History	40%	32%	47%	45%	<b>52</b> %	36%
Collateral	4%	4%	1%	2%	0%	12%
Insufficient Cash	7%	0%	9%	6%	8%	8%
Unverifiable Information	2%	5%	1%	1%	4%	0%
Credit Application Incomplete	13%	7%	7%	13%	8%	0%
Mortgage Insurance Denied	0%	0%	0%	0%	0%	0%
Other	<u>16%</u>	<u>21%</u>	<u>6%</u>	<u>9%</u>	<u>4%</u>	<u>8%</u>
Total (1)	45	56	70	95	25	25

Note: (1) Institutions are not required to report reasons for loan denials. "Total" includes cases where multiple reasons were reported.

Source: FFIEC HMDA Aggregate Reports, 2002, and BBC Research & Consulting.

Exhibit F-6.
Conventional Loans Reasons for Denial, Indiana Small MSAs, 2002

MSA	Bloomington MSA	Elkhart- Goshen MSA	Kokomo MSA	Lafayette MSA	Muncie MSA	Terre Haute MSA
Debt-to-Income Ratio	25%	22%	27%	20%	24%	19%
Employment History	4%	4%	4%	4%	4%	4%
Credit History	31%	37%	31%	31%	31%	40%
Collateral	7%	5%	4%	8%	8%	11%
Insufficient Cash	3%	5%	4%	6%	11%	4%
Unverifiable Information	4%	3%	1%	4%	2%	3%
Credit Application Incomplete	4%	4%	10%	9%	2%	1%
Mortgage Insurance Denied	0%	0%	0%	0%	1%	0%
Other	<u>21%</u>	<u>19%</u>	<u>19%</u>	<u>18%</u>	<u>18%</u>	<u>18%</u>
Total <sup>(1)</sup>	204	450	191	263	225	314

Note: "Institutions are not required to report reasons for loan denials. "Total" includes cases where multiple reasons were reported.

Source: FFIEC HMDA Aggregate Reports, 2002, and BBC Research & Consulting.

As demonstrated in the exhibits, poor credit history is the major reason for application denials across the six MSAs. High debt-to-income ratios are another primary factor for government guaranteed loans and for conventional home purchase loans.

What do the data suggest? There are many reasons that loan approval rates may vary for applicants in the same income brackets – credit ratings, net worth, and income to debt ratios play a large role in the decision to deny or approve a loan. Without individual data about the applications analyzed previously, it is difficult to assess the presence of discrimination by race, ethnicity, or gender. Disparities in approval rates between racial and ethnic groups or genders are not definitive proof of housing discrimination; rather, the presence of disparities suggests the need for further inquiry. The data are also useful in determining what government sponsored programs might be needed to fill the gaps between what the private market is willing to provide and what is needed.

The HMDA data highlight areas where county and city governments can work to improve access to credit for citizens. As shown in Exhibits F-5 and F-6, high debt-to-income ratios and poor credit histories are the top reasons that credit is denied to citizens in the six MSAs. The data also show that most minority populations have higher denial rates than Whites for conventional loans. The denial rates for government guaranteed loans are more similar. Assuming the statistics for Statewide citizens are similar (data are not available at this geographic level), the State should invest in credit and homebuyer counseling programs to improve citizens' understanding of how to manage personal debt. The State should also work to ensure that minority populations are aware of government-guaranteed loan programs, which appear to better serve these populations than conventional loan programs.

#### **Indiana Legislation**

On March 18, 2004, the Indiana Home Owner Protection Act (HB 1229) and Property Tax Benefits and Study Commission (HB 1005) were signed into law by Governor Kernan.

**HB 1229: The Indiana Home Owner Protection Act.** HB 1229 will protect homeowners from lenders who target homeowners with overpriced loans that strip away equity. It limits certain predatory practices, and provides penalties for lenders who violate the law. Specifically the act:

- Restricts certain lending acts and practices;
- **E**stablishes the homeowner protection unit in the office of the attorney general;
- Provides enforcement procedures for deceptive mortgage acts;
- Establishes a \$3 mortgage recording fee;
- Requires the Indiana housing finance authority to provide homeownership training programs;
- Provides that certain provisions do not apply to certain financial institutions;
- Makes changes to the definition of a high-cost home loan; and
- Prohibits certain lending practices.

The Coalition for Responsible Lending estimates that U.S. borrowers lose \$9.1 billion annually to predatory lending, and that predatory lending practices cost Indiana residents \$150 million a year.

HB 1229 as passed is an approach negotiated by consumer groups including AARP and the Indiana Association for Community Economic Development, and industry groups including the Indiana Bankers Association, the Community Bankers Association, the Credit Union League, the Mortgage Bankers Association, the Consumer Finance Association, and the Indiana Mortgage Brokers.

The legislation identifies certain practices that are so inherently abusive that they are prohibited for all loans. In addition, the legislation limits certain additional practices when they are used in a "high-cost" home loan. This is because "high-cost" home loans with high fees or high interest rates have greater potential to be harmful to customers.

A high-cost home loan is defined in HB 1229 as a home mortgage loan that exceed either:

- The interest rate threshold established by federal law (8 points above the yield on Treasury bills with comparable term for first liens; 10 points above for subordinate liens); or
- Point and fees that exceed 5 percent of the total loans amount for loans \$40,000 and above, and 6 percent of the total loan amount for smaller loans.

Under the Act, the following acts and practices are prohibited for all home loans:

- Financed single-premium credit life insurance and debt cancellation agreements;
- Recommendation of default;
- Flipping a below-market rate loan (such as a Habitat loan) into a high-cost loan;
- Debt acceleration at the sole discretion of the creditor;
- Charging the consumer a fee to receive a balance due statement;
- Deceptive acts; and
- Discrimination on the basis of race, color, religion, national origin, sex, marital status or age.

#### Exhibit VI-6. Housing Needs, Priorities for FY2004

Source: Indiana Housing Finance Authority.

	Priority N	eed Level
Priority Housing Needs	Percentage	Need Level
Renter		
Small and Large Related	0-30% 31-50% 51-80%	High High Medium
Elderly	0-30% 31-50% 51-80%	High High Medium
All Other	0-30% 31-50% 51-80%	High High Medium
Owner		
Owner Occupied	0-30% 31-50% 51-80%	High High Medium
Homebuyer	0-30% 31-50% 51-80%	Medium High High
Special Populations	0-80%	High

#### **ADDI Funds**

IHFA will implement the following activities in conjunction with administration of the ADDI grant.

**Targeted outreach.** IHFA will make the Indiana Manufactured Housing Association and the Indiana State National Association of Housing and Redevelopment Officials (NAHRO) aware of the ADDI program and how members of their respective organizations can obtain additional information to educate their clients on IHFA programs and how to join the IHFA List-Serve.

In addition, IHFA will require recipients of homeownership counseling funds to conduct targeted outreach to residents and tenants of public and manufactured housing and other families assisted by public housing agencies. As part of their agreement with IHFA, recipients must agree to complete these marketing initiatives. To ensure compliance with this requirement, IHFA will include this activity in compliance monitoring.

**Homeownership stability.** To ensure that families receiving ADDI funds are suitable to undertake and maintain homeownership, clients receiving ADDI funding will be required to successfully complete a homeownership training program. It is strongly recommended that clients participated in a face to face or classroom course given by a HUD approved counselor.

Under the Act, the following acts and practices are prohibited for high-cost loans:

- Financing of fees or charges;
- Excessive prepayment penalties;
- Financing of life or health insurance;
- Loan flipping;
- Balloon payments;
- Negative amortization;
- Increased interest rate after default;
- Advance payments made from loan proceeds;
- Lending without a referral for homeownership counseling;
- Lending without due regard to repayment ability;
- Certain predatory home-improvement contracts;
- Modification or deferral fees;
- Lending without full disclosure of the risks of high-cost loans;
- Mandatory arbitration.

HB 1229 is similar to the federal Home Ownership and Equity Protection Act (HOEPA). Like HB 1229, HOEPA creates special requirements applicable to high-cost loans. However, the HOPEA thresholds for high-cost loans are too high to reach the bulk of high-cost loans. According to the data from the Office of Thrift Supervision, only one percent of high-cost loans were covered by HOEPA before October 1, 2002. It is not known how many more loans will be covered under recent changes to HOEPA, but estimates were an additional 4 to 5 percent. The simple fact is that the vast majority of predatory loans being made today are perfectly legal under HOEPA guidelines.

**HB 1005: Property Tax Benefits and Study Commission.** HB1005 contained various property tax matters. Among its provisions is a requirement that at the closing of mortgage the closing agent is required to give the homeowner a state-prepared statement of available property tax credits that may be filed for. The required disclosure form will be prepared by the state and made available to lenders and title companies.

#### **Mortgage Foreclosure Study**

According to Mortgage Banker's Association, Indiana's foreclosure rate was more than double the nation's at the end of the forth quarter in 2002. The national foreclosure rate was 1.18 percent compared to Indiana's rate of 2.41 percent. Indiana has not historically been a state with high delinquency rate. The Indiana Mortgage Bankers Association (IMBA) reported Indiana had a lower foreclosure rate that the national average through the 1990s. The following exhibit shows how historically Indiana's foreclosure rate compares to that of the nation.

2.5 - 2.0 - 1.5 - 1.5 - 1.0 - U.S.

Exhibit F-7.

Mortgage Foreclosure Rates for Indiana and the Nation, 1979 to 2002

Note: All loans in foreclosure are at the end of the 4<sup>th</sup> quarter for each year.

Source: Mortgage Bankers Association.

A study was commissioned by five groups: the Metropolitan Indianapolis Board of REALTORS®, the Indiana Association of REALTORS®, the Indiana Builders Association, the Builders Association of Greater Indianapolis, and the Indianapolis Neighborhood Housing Partnership. It was conducted by the National Association of REALTORS® on behalf of all five groups and released in April 2003.

1979 1980 1981 1982 1983 1984 1985 1986 1987 1988 1989 1990 1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002

This study reported possible causes of foreclosure related to the job market condition, first time homebuyers, predatory lending, government backed loans, high loan-to-value ratio, along with other factors. The following is a summary of the report's findings.

**Job Market Condition.** The study reported that Indiana's job losses began before the rest of the country. In January 2003, total state payroll employment was 2,803,300, a decrease of 4.4 percent or 131,100 jobs from peak employment nearly 3 years earlier (May 2000). The 4.4 percent decline was the second highest in the nation. The manufacturing sector collapse helped induce the nation's economic recession and Indiana had one of the highest percentages (22 percent) of workforce participation in the manufacturing industry compared to the national average of 14.5 percent.

**First Time Home Buyers.** According to the 2000 Census, Indiana had 74.9 percent of its residents who were homeowners, which is much higher compared to 67.4 percent of residents in the United States. This was one of the highest homeownership rates in the country. From 1990 to 2000, the national homeownership rate increased by 2.3 percent, while it increased by 4.4 percent in Indiana. Relatively low prices combined with low unemployment have contributed to Indiana's high homeownership rate.

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<sup>&</sup>lt;sup>2</sup> Rising Foreclosure Rates in Indiana: An Explanatory Analysis of Contributing Factors, Study conducted by the National Association of REALTORS®, March 2003.

Since Indiana outpaced the nation in homeownership, it implies there may have been an excess of home buying. The report suggested that anytime the homeownership rate is increased, it means there are new homeowners who had previously been closer to the margin of affordability. The lower mortgage rates allowed more people to be able to own homes.

**Predatory Lending.** A January 2003 news release by the Indiana Mortgage Bankers Association reported, predatory lending was not the cause of Indiana's high mortgage foreclosure rate, as is commonly reported. The Mortgage Bankers Association reported that less than one-half of one percent of all loans covered in its 2002 study were sub-prime loans. Additionally, the Mortgage Area Research Institute<sup>3</sup> found that Indiana ranked in the lowest level for the category of predatory lending.

**Government Backed Loans.** There are two government programs that provide loan guarantees to lenders: FHA loans (allow for someone who may have had a few credit problems to obtain mortgage financing) and VA loans (are provided to veterans of the armed forces). For both of these loans the lender does not bear the risk when foreclosure occurs.

Research has revealed that first-time homebuyers are more likely to default on mortgages than repeat homebuyers are. FHA loans have a higher concentration of first-time homebuyers who have a low down payment, and are in lower-income areas, compared to the conventional loan market. Mortgage Bankers data revealed that VA loans were more then three times as likely to foreclose than conventional loans and FHA loans were nearly five times as likely to foreclose than conventional loans.

From 1997 to 1999 Indiana's share of FHA loans were similar to national figures and in 2000, there were a noticeably higher number of FHA loans obtained in Indiana. In 2001, Indian's share of FHA loans was 25 percent, which was higher than the national share (17 percent). The report concluded that more than half of the difference in foreclosure rates between Indiana and the U.S. could be attributed to the higher composition of higher risk loans, i.e., FHA loans. Furthermore, the sharp cut back in jobs was likely to have contributed greatly in changing the mix of FHA and conventional loans.

**High Loan-to-Value Ratio.** According to the Federal Housing Finance Board, the Indiana loan-to-value (LTV) ratio was 80.1 percent in 2002, which was higher than the national average of 75.1 percent. Almost one-third of the conventional loans in Indiana had an LTV greater than 90 percent, compared to only nine states that had a higher percentage with LTVs greater than 90 percent. High LTVs may increase the likelihood of default because there is a greater chance the borrower will be in negative equity position early in the life of the loan.

A HUD report in 2002 pointed out Indianapolis was forth in the usage of down payment assistance and that the default rate for loans using down payment assistance were higher than similar loans not using down payment assistance.

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<sup>&</sup>lt;sup>3</sup> August 2000 report.

If home values appreciate quickly, LTV ratios are less of an issue when considering foreclosure. According to the Office of Federal Housing Enterprise Oversight, Indiana ranked low in comparison to other states (49<sup>th</sup>) in one-year price growth. Therefore, the continual low appreciation of home price in Indiana is one of the reasons for higher LTV loans and the resulting higher foreclosure rate.

**Other Factors.** According to the Federal Housing Finance Board, in 2002 Indiana residents paid the highest mortgage rate (6.67 percent) in comparison to the rest of the country. The national average was 6.44 percent. Indiana borrowers also paid higher initial fees of 0.53 percent compared to 0.46 percent of the rest of the country.

A reason for the high mortgage interest rate was that Indiana borrowers pay less on their down payment. However, considering there were 13 other states with higher LTVs than Indiana, this reason alone cannot justify the high interest rate.

#### **Recent Legal Cases**

As part of the fair housing appendix, recent legal cases were reviewed to determine significant fair housing issues and trends in Indiana. Searches of the Department of Justice case databases found two cases involving the Fair Housing Act in Indiana. This section summarizes the issues in each case.

**United States of America v. Edward Rose & Sons, Inc, et al.** In February 2003, the Court issued an order granting the United States' a preliminary injunction to enjoin the defendants from occupying or further constructing 19 apartment buildings at Westlake Apartments in Belleville, Michigan and Lake Pointe Apartments in Batavia, Ohio, until they could be redesigned or retrofitted to be brought into compliance with the Fair Housing Act.

The two complaints filled allege Edward Rose & Sons, several affiliate companies, as well as individual architects and architectural firms, have engaged in a pattern or practice of discrimination against persons with disabilities. They have failed to include accessible features required by the Fair Housing Act and the Americans with Disabilities Act in a number of apartment complexes it developed in Indiana, Michigan, Ohio, Wisconsin, Illinois and Virginia.

The United States alleges that approximately 4,050 ground floor units in 42 apartment complexes do not have accessible entrances, kitchens and bathrooms, along with other building features. Edward Rose & Sons is one of the largest multifamily developers in the nations. Fifteen of the 42 apartment complexes sited in this case are located in Indiana.

**United States of America v. City of Lake Station.** In December 1998, the United States filed a complaint claiming the City of Lake Station, Indiana violated the Fair Housing Act by refusing to permit the development of a subdivision of affordable, owner-occupied, single-family tract homes. The U.S. contends that the refusal to authorize the construction was based on fears that the residents of the subdivision would come from neighboring Gary, whose population is overwhelmingly African American. Despite Lake Station's proximity to Gary, only 0.2 percent of Lake Station's population is African American.

The consent ordered the City to permit the construction of the subdivision, called Timbercreek. Under the agreement, the City will also:

- Amend its ordinances to ensure that all Timbercreek homes qualify for a significant, six-year, phased-out property tax abatement;
- Waive standard building permit fees, occupancy permit fees and inspection fees for Timbercreek homes;
- Waive water meter installation fees on the first four homes;
- Pay LCEDC \$10,000 to market Timbercreek throughout Northwest Indiana;
- Enter into a \$5,00 per year services contract with Northwest Indiana Open Housing Center for the next five years; and
- Send City officials to fair housing training.

#### **Fair Housing Education**

In December 2003, the Indiana Housing Finance Agency awarded \$116,000 of HOME Administrative Subrecipient Agreement Awards to support the fair housing activities of the Indiana Civil Rights Commission (ICRC). This was the third award to ICRC for these types of activities. In 2000 and 2002 awards to ICRC totaled \$201,309 in HOME funds.

IHFA periodically considers not-for-profit organizations or public agencies to serve as a subrecipient in administering a portion of the State's allocation of federal HOME activities. These activities are to have a statewide impact and serve to further IHFA's efforts in administering HOME program and other related areas.

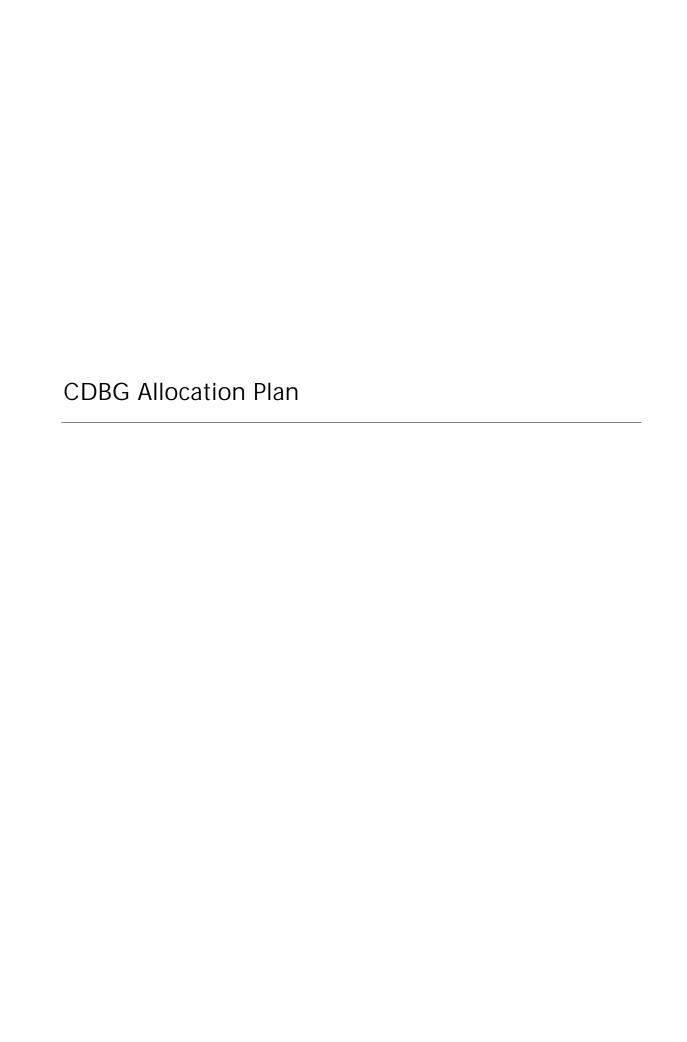
The funds will be used to fund statewide activities to help alleviate the effects of housing discrimination in Indiana. The ICRC's mission is to enforce Indiana's civil rights laws and provide quality education and service to the public in an effort to ensure equal opportunity to all Hoosiers and visitors to the State. Activities will include:

- Conducting trainings;
- Developing a training video;
- Promoting awareness of fair housing issues through media such as newspapers, radio, and television;
- Printing educational materials in English and Spanish;
- Developing and maintaining a Web site;
- Participating as an exhibitor at conferences and other events; and
- Postage.

# APPENDIX G. 2004 Allocation Plan

## APPENDIX G. 2004 Allocation Plans

This appendix presents the FY2004 allocation plans for the Indiana Department of Commerce – administrator of the CDBG grant program; the Indiana Housing Finance Authority – administrator of HOME funding and HOPWA funding; and the Family and Social Services Administration – administrator of the ESG program.



#### STATE OF INDIANA

### STATE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM (CFDA: 14-228)

#### INDIANA DEPARTMENT OF COMMERCE

#### FY 2004 PROGRAM DESIGN AND METHOD OF DISTRIBUTION

#### GENERAL BACKGROUND INFORMATION AND NATIONAL CDBG OBJECTIVES

The State of Indiana, through the Indiana Department of Commerce, assumed administrative responsibility for Indiana's Small Cities Community Development Block Grant (CDBG) Program in 1982, under the auspices of the U.S. Department of Housing and Urban Development (HUD). In accordance with 570.485(a) and 24 CFR Part 91, the State must submit a Consolidated Plan Update to HUD by May 15th of each year following an appropriate citizen participation process pursuant to 24 CFR Part 91.325, which prescribes the State's Consolidated Plan Update process as well as the proposed method of distribution of CDBG funds for 2004. The State of Indiana's anticipated allocation of federal Community Development Block Grant (CDBG) funds for FY 2004 is \$36,847,940.

This document applies to all federal Small Cities CDBG funds allocated by HUD to the State of Indiana, through its Department of Commerce. During FY 2004, the State of Indiana does not propose to pledge a portion of its present and future allocation(s) of Small Cities CDBG funds as security for Section 108 loan guarantees provided for under Subpart M of 24 CFR Part 570 (24 CFR 570.700).

The primary objective of Indiana's Small Cities CDBG Program is to assist in the development and re-development of viable Indiana communities by using CDBG funds to provide a suitable living environment and expand economic opportunities, principally for low and moderate income persons.

Indiana's program will place emphasis on making Indiana communities a better place in which to reside, work, and recreate. Primary attention will be given to activities, which promote long term community development and create an environment conducive to new or expanded employment opportunities for low and moderate income persons.

Activities and projects funded by the Department of Commerce must be eligible for CDBG assistance pursuant to 24 CFR 570, et. seq., and meet one of the three (3) national objectives prescribed under the Federal Housing and Community Development Act, as amended (Federal Act). To fulfill a national CDBG objective a project must meet one (1) of the following requirements pursuant to Section 104 (b)(3) of the Federal Act, and 24 CFR 570.483, et seq., and must be satisfactorily documented by the recipient:

- 1. Principally benefit persons of low and moderate income families; or,
- 2. Aid in the prevention or elimination of slums and blight; or,
- 3. Undertake activities, which have urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where no other financial resources are available to meet such needs.

In implementing its FY 2004 CDBG Consolidated Plan Update, the Indiana Department of Commerce will pursue the following goals respective to the use and distribution of FY 2004 CDBG funds:

#### GOAL 1: Invest in the needs of Indiana's low and moderate income citizens in the following areas:

a. Safe, sanitary and suitable housing

- b. Child care
- c. Health services
- d. Homelessness
- e. Job creation, retention and training
- f. Self-sufficiency for special needs groups
- g. Senior lifestyles

The Department of Commerce will pursue this goal of **investing in the needs of Indiana's low and moderate income citizens** and all applicable strategic priorities by distributing CDBG funds in a manner which promotes suitable housing, viable communities and economic opportunities.

#### **GOAL 2:** Invest in the needs of Indiana's communities in the following areas:

- a. Housing preservation, creation and supply of suitable rental housing
- b. Neighborhood revitalization
- c. Public infrastructure improvements
- d. Provision of clean water and public solid waste disposal
- e. Special needs of limited-clientele groups
- f. Assist local communities with local economic development projects, which will result in the attraction, expansion and retention of employment opportunities for low and moderate income persons

The Department of Commerce will pursue this goal of investing in the needs of Indiana's communities and all applicable strategic priorities by distributing CDBG funds in a manner which promotes suitable housing, preservation of neighborhoods, provision and improvements of local public infrastructure and programs which assist persons with special needs. The Department of Commerce will also pursue this goal by making CDBG funds available to projects, which will expand and/or retain employment opportunities for low and moderate income persons.

#### GOAL 3: Invest CDBG funds wisely and in a manner which leverages all tangible and intangible resources:

- a. Leverage CDBG funds with all available federal, state and local financial and personal resources
- b. Invest in the provision of technical assistance to CDBG applicants and local capacity building
- c. Seek citizen input on investment of CDBG funds
- d. Coordination of resources (federal, state and local)
- e. Promote participation of minority business enterprises (MBE) and women business enterprises (WBE)
- f. Use performance measures and continued monitoring activities in making funding decisions

The Department of Commerce will pursue this goal of **investing CDBG wisely** and all applicable strategic priorities by distributing CDBG funds in a manner, which promotes exploration of all alternative resources (financial and personal) when making funding decisions respective to applications for CDBG funding.

#### PROGRAM AMENDMENTS

The Indiana Department of Commerce reserves the right to transfer up to ten percent (10%) of each fiscal year's available allocation of CDBG funds (i.e. FY 2004 as well as prior-years' reversions balances) between the programs described herein in order to optimize the use and timeliness of distribution and expenditure of CDBG funds, without formal amendment of this Consolidated Plan Update.

The Department of Commerce will provide citizens and general units of local government with reasonable notice of, and opportunity to comment on, any substantial change proposed to be made in the use of FY 2004 CDBG as well as reversions and residual available balances of prior-years' CDBG funds. "Substantial Change" shall mean the movement between programs of more than ten percent (10%) of the total allocation for a given fiscal year's CDBG funding allocation, or a major modification to programs described herein. The Department of Commerce, in

consultation with the Indianapolis office of the US Department of Housing and Urban Development (HUD), will determine those actions, which may constitute a "substantial change".

The State (IDOC) will formally amend its FY 2004 Consolidated Plan Update if the Department of Commerce's **Method of Distribution for FY 2004 and prior-years funds** prescribed herein is to be significantly changed. The IDOC will determine the necessary changes, prepare the proposed amendment, provide the public and units of general local government with reasonable notice and opportunity to comment on the proposed amendment, consider the comments received, and make the amended FY 2004 Consolidated Plan Update available to the public at the time it is submitted to HUD. In addition, the Department of Commerce will submit to HUD the amended Consolidated Plan Update before the Department implements any changes embodied in such program amendment.

#### ELIGIBLE ACTIVITIES/FUNDABILITY

All activities, which are eligible for federal CDBG funding under Section 105 of the Federal Housing and Community Development Act of 1974, as, amended (Federal Act), are eligible for funding under the Indiana Department of Commerce's FY 2004 CDBG program. However, the Indiana Department of Commerce reserves the right to prioritize its method of funding; the Department of Commerce prefers to expend federal CDBG funds on activities/projects which will produce tangible results for principally low and moderate income persons in Indiana. Funding decisions will be made using criteria and rating systems, which are used for the State's programs and are subject to the availability of funds. It shall be the policy under the state program to give priority to using CDBG funds to pay for actual project costs and not to local administrative costs. The State of Indiana certifies that not less than seventy-percent (70%) of FY 2004 CDBG funds will be expended for activities principally benefiting low and moderate income persons, as prescribed by 24 CFR 570.484, et. seq.

#### **ELIGIBLE APPLICANTS**

- 1. All Indiana counties, cities and incorporated towns which do not receive CDBG entitlement funding directly from HUD or are not located in an "urban county" or other area eligible for "entitlement" funding from HUD.
- 2. All Indian tribes meeting the criteria set forth in Section 102 (a)(17) of the Federal Act.

In order to be eligible for CDBG funding, applicants may not be suspended from participation in the HUD-funded CDBG Programs or the Indiana Department of Commerce due to findings/irregularities with previous CDBG grants or other reasons. In addition, applicants may not be suspended from participation in the state CDBG-funded projects administered by the Indiana Housing Finance Authority (IHFA), such funds being subcontracted to the IHFA by the Department of Commerce.

Further, in order to be eligible for CDBG funding, applicants may not have overdue reports, overdue responses to monitoring issues, or overdue grant closeout documents for projects funded by either the Department of Commerce or IHFA projects funded using state CDBG funds allocated to the IHFA by the Department of Commerce. All applicants for CDBG funding must fully expend all CDBG Program Income as defined in 24 CFR 570.489(e) prior to, or as a part of the proposed CDBG-assisted project, in order to be eligible for further CDBG funding from the State. This requirement shall not apply to principal and interest balances within a local CDBG Revolving Loan Fund approved by the Department of Commerce pursuant to 24 CFR 570.489.

Other specific eligibility criteria are outlined in **General Selection Criteria** provided herein.

#### **FY 2004 FUND DISTRIBUTION**

#### **Sources of Funds:**

FY 2004 CDBG Allocation \$ 36,847,940 CDBG Program Income(a) Total: \$ 36,847,940

#### **Uses of Funds:**

1.	Community Focus Fund (CFF)	\$ 23,642,503	
2.	Housing Program	5,000,000	
3.	Community Economic Development Fund	4,000,000	
4.	Quick Response Fund		0
5.	Brownfield Initiative	1,400,000	
6.	Technical Assistance Fund	368,479	
7.	Planning Fund	1,600,000	
8.	Administration	<u>836,958</u>	
	Total:	<u>\$ 36,847,940</u>	

- (a) The State of Indiana (Department of Commerce) does not project receipt of any CDBG program income for the period covered by this FY 2004 Consolidated Plan Update. In the event the Department of Commerce receives such CDBG Program Income, such moneys will be placed in the Community Focus Fund for the purpose of making additional competitive grants under that program. Reversions of other years' funding will be placed in the Community Focus Fund for the specific year of funding reverted. The State will allocate and expend all CDBG Program Income funds received prior to drawing additional CDBG funds from the US Treasury. However, the following exceptions shall apply:
- 1. This prior-use policy shall not apply to housing-related grants made to applicants by the Indiana Housing Finance Authority (IHFA), a separate agency, using CDBG funds allocated to the IHFA by the Department of Commerce.
- 2. CDBG program income funds contained in a duly established local Revolving Loan Fund(s) for economic development or housing rehabilitation loans which have been formally approved by the Department of Commerce. However, all local revolving loan funds must be "revolving" and cannot possess a balance of more than \$50,000 at the time of application of additional CDBG funds.
- 3. Program income generated by CDBG grants awarded by the Department of Commerce (State) using FY 2004 CDBG funds must be returned to the Department of Commerce, however, such amounts of less than \$25,000 per calendar year shall be excluded from the definition of CDBG Program Income pursuant to 24 CFR 570.489.

All obligations of CDBG program income to projects/activities, except locally-administered revolving loan funds approved by the Department of Commerce, require prior approval by the Department of Commerce. This includes use of program income as matching funds for CDBG-funded grants from the IHFA. Applicable parties should contact the Grants Management Section of the Controller's Office of the Indiana Department of Commerce at (317) 232-8333 for application instructions and documents for use of program income prior to obligation of such funds.

Furthermore, U.S. Department of Treasury regulations require that CDBG program income cash balances on hand be expended on any active CDBG grant being administered by a grantee before additional federal CDBG funds are requested from the Department of Commerce. These US Treasury regulations apply to projects funded both by IHFA and the Department of Commerce. Eligible applicants with CDBG program income should strive to close out all active grant projects presently being administered before seeking additional CDBG assistance from the Department of Commerce or IHFA.

Eligible applicants with CDBG program income should contact the Grants Management Section of the Controller's Office of the Department of Commerce at (317) 232-8333 for clarification before submitting an application for CDBG financial assistance

#### METHOD OF DISTRIBUTION

The choice of activities on which the State (Department of Commerce) CDBG funds are expended represents a determination by Department of Commerce and eligible units of general local government, developed in accordance with the Department's CDBG program design and procedures prescribed herein. The eligible activities enumerated in the following Method of Distribution are eligible CDBG activities as provided for under Section 105(a) of the Federal Act, as amended.

All projects/activities funded by the State (Department of Commerce) will be made on a basis which addresses one (1) of the three (3) national objectives of the Small Cities CDBG Program as prescribed under Section 104(b)(3) of the Federal Act and 24 CFR 570.483 of implementing regulations promulgated by HUD. CDBG funds will be distributed according to the following Method of Distribution (program descriptions):

#### A. Community Focus Fund (CFF): \$23,642,503

The Department Commerce will award community Focus Fund (CFF) grants to eligible applicants to assist Indiana communities in the areas of public facilities, housing-related infrastructure, and all other eligible community development needs/projects. Applications for economic development activities may not be appropriate for the CFF Program. Applications for funding, which are applicable to local economic development and/or job-related training projects, should be pursued under the Department of Commerce's Community Economic Development Fund (CEDF). Projects eligible for consideration under the CEDF program under this Method of Distribution shall generally not be eligible for consideration under the CFF Program. Eligible activities include applicable activities listed under Section 105(a) of the Federal Act. Typical Community Focus Fund (CFF) projects include, but are not limited to:

- 1. Local infrastructure improvements (i.e. water, sewer, street and related improvements);
- 2. Construction of other public facilities (i.e. day-care centers, senior centers, etc.);
- 3. Commercial rehabilitation and downtown revitalization projects; and,
- 4. Special purpose facilities for "limited clientele" populations;

Applications will be accepted and awards will be made on a competitive basis two (2) times a year. Approximately one-half of available CFF funds shall be budgeted for each funding round and awards will be scored competitively based upon the following criteria (total possible numerical score of 1,000 points):

#### 1. Economic and Demographic Characteristics: 450 Points - Variable by Each Application:

- a. Benefit to low and moderate income persons: 200 points
- b. Community distress factors: 250 points

#### 2. Project Design Factors: 450 Points - Variable by Each Application:

- a. Financial impact
- b. Project need
- c. Local effort

#### 3. Local Match Contribution: 100 Points - Variable by Each Application

The specific threshold criteria and basis for project point awards for CFF grant awards are provided in attachments hereto. The Community Focus Fund (CFF) Program shall have a maximum grant amount of \$500,000 for each project and each applicant may apply for only one project in a grant cycle. The only exception to this \$500,000 limit will be for those CFF applicants who apply for the Department of Commerce's Minority Business Enterprise (MBE) Utilization Program. Under this program, the Department of Commerce will allocate an additional amount

of CDBG-CFF grant funds to those applicants who apply for participation in the MBE program and who are awarded CFF grants. The maximum additional allocation to the CFF grant amount will be five-percent (5%) of the total amount of CDBG allocated to each CFF budget line item to be considered participatory for such MBE utilization, limited to \$25,000 (\$500,000 X 0.05 = \$25,000).

Projects will be funded in two (2) cycles each year with approximately a six (6) month pre-application and final-application process. Projects will compete for CFF funding and be judged and ranked according to a standard rating system (Attachment D). The highest ranking projects will be funded to the extent of funding available for each specific CFF funding cycle/round. The Department of Commerce will provide eligible applicants with adequate notice of deadlines for submission of CFF proposal (pre-application) and full applications. Specific threshold criteria and point awards are explained in Attachments C and D to this Consolidated Plan Update.

For the CFF Program specifically, the amount of CDBG funds granted will be based on a reasonable cost per project beneficiary, except for housing-related projects (e.g. infrastructure in support of housing) where the grant amount per beneficiary ratio will not exceed \$10,000 per beneficiary.

#### B. Housing Program: \$5,000,000

The State (Department of Commerce) has contracted with the Indiana Housing Finance Authority (IHFA) to administer funds allocated to the State's Housing Program. The Indiana Housing Finance Authority will act as the administrative agent on behalf of the Indiana Department of Commerce. Please refer to the Indiana Housing Finance Authority's portion of this FY 2004 Consolidated Plan Update for the method of distribution of such subcontracted CDBG funds from the Department of Commerce to the IHFA.

#### C. Community Economic Development Fund/Program: \$4,000,000

The Community Economic Development Fund (CEDF) will be available through the Development Finance Division of the Indiana Department of Commerce. This fund will provide funding for various eligible economic development activities pursuant to 24 CFR 507.203. The CEDF Program will have a sub-program entitled the Industrial Development Infrastructure Program (IDIP), hereunder the Department of Commerce will give priority for CEDF-IDIP funding to construction of off-site and on-site infrastructure projects in support of low and moderate income employment opportunities.

Eligible CEDF activities will include any eligible activity under 24 CFR 570.203, to include the following:

- 1. Construction of infrastructure (public and private) in support of economic development projects;
- 2. Loans or grants by applicants for the purchase of manufacturing equipment;
- 3. Loans or grants by applicants for the purchase of real property and structures (includes vacant structures);
- 4. Loans or grants by applicants for the rehabilitation of facilities (vacant or occupied);
- 5. Loans or grants by applicants for the purchase and installation of pollution control equipment;
- 6. Loans or grants by applicants for the mitigation of environmental problems via capital asset purchases;

Eligible CEDF activities will also include grants to applicants for job-training costs for low and moderate income persons as a limited clientele activity under 24 CFR 570.483(b)(2)(v), as well financial assistance to eligible entities to carry out economic development activities authorized under Section 105(a) of the Housing and Community Development Act of 1974, as amended.

Projects/applications will be evaluated using the following criteria:

- 1. The importance of the project to Indiana's economic development goals;
- 2. The number and quality of new jobs to be created;
- 3. The economic needs of the affected community;
- 4. The economic feasibility of the project and the financial need of the affected for-profit firm, or not-for-profit corporation; the availability of private resources;
- 5. The level of private sector investment in the project.

Grant applications will be accepted and awards made until funding is no longer available. The intent of the program is to provide necessary public improvements and/or job training for an economic development project to encourage the creation of new jobs. In some instances, the Department of Commerce may determine that the needed facilities/improvements may also benefit the project area as a whole (i.e. certain water, sewer, and other public facilities improvements), in which case the applicant will be required to also meet the "area basis" criteria for funding under the Federal Act.

#### 1. Beneficiaries and Job Creation/Retention Assessment:

The assistance must be reasonable in relation to the expected number of jobs to be created or retained by the benefiting business(es) within 12 months following the date of substantial completion of project construction activities. Before CDBG assistance will be provided for such an activity, the applicant unit of general local government must develop an assessment, which identifies the businesses located or expected to locate in the area to be served by the improvement. The assessment must include for each identified business a projection of the number of jobs to be created or retained as a result of the public improvements.

#### 2. Public Benefit Standards:

The Department of Commerce will conform to the provisions of 24 CFR 570.482(f) for purposes of determining standards for public benefit and meeting the national objective of low and moderate income job creation or retention will be all jobs created or retained as a result of the public improvement, financial assistance, and/or job training by the business(es) identified in the job creation/retention assessment in 1 above. The investment of CDBG funds in any economic development project shall not exceed an amount of \$35,000 per job created; at least fifty-one percent (51%) of all such jobs, during the project period, shall be given to, or made available to, low and moderate income persons.

Projects will be evaluated on the amount of private investment to be made, the number of jobs for low and moderate income persons to be created or retained, the cost of the public improvement and/or job training to be provided, the ability of the community (and, if appropriate, the assisted company) to contribute to the costs of the project, and the relative economic distress of the community. Actual grant amounts are negotiated on a case by case basis and the amount of assistance will be dependent upon the number of new full-time permanent jobs to be created and other factors described above. Construction and other temporary jobs may not be included. Part-time jobs are ineligible in the calculating equivalents. Grants made on the basis of job retention will require documentation that the jobs will be lost without such CDBG assistance and a minimum of fifty-one percent (51%) of the beneficiaries are of low and moderate income.

Pursuant to Section 105(e)(2) of the Federal Act as amended, and 24 CFR 570.209 of related HUD regulations, CDBG-CEDF funds allocated for direct grants or loans to for-profit enterprises must meet the following tests, (1) project costs must be reasonable, (2) to the extent practicable, reasonable financial support has been committed for project activities from non-federal sources prior to disbursement of federal CDBG funds, (3) any grant amounts provided for project activities do not substantially reduce the amount of non-federal financial support for the project, (4) project activities are determined to be financially feasible, (5) project-related return on investment are determined to be reasonable under current market conditions, and, (6) disbursement of CDBG funds on the project will be on an appropriate level relative to other sources and amounts of project funding.

A need (financial gap), which is not directly available through other means of private financing, should be documented in order to qualify for such assistance; the Department of Commerce will verify this need (financial gap) based upon historical and/or pro-forma projected financial information provided by the for-profit company to be assisted. Applications for loans based upon job retention must document that such jobs would be lost without CDBG assistance and a minimum of fifty-one percent (51%) of beneficiaries are of low-and-moderate income, or the recipient for-profit entity agrees that for all new hires, at least 51% of such employment opportunities will be given to, or made available to, persons of low and moderate income. All such job retention/hiring performance must be documented by the applicant/grantee, and the DOC reserves the right to track job levels for an additional two (2) years after administrative closeout.

#### D. Brownfields Initiative: \$1,400,000

The Department of Commerce will set aside \$1,400,000 of its FY 2004 CDBG funds for a brownfields initiative. The Department of Commerce will make grants to units of local government to carry out various activities eligible under 24 CFR 507.291-203, in order to facilitate the redevelopment of brownfield properties. The Department will award such grants on a competitive basis. The Department's Community Development Division will coordinate this initiative.

#### E. The Quick Response Fund: \$0

The Quick Response Fund will be available to eligible applicants on a continuing basis. These activities must be eligible for funding under the "urgent need" national objective of the Federal Act and requirements of 24 CFR 570.208 and 24 CFR 570.483 of applicable HUD regulations.

The Quick Response Fund program will be available to eligible applicants to meet an imminent threat to the health and safety of local populations. The grants may be funded as made available through Focus Fund or reversions when not budgeted from the annual allocation. Special selection factors include need, proof of recent threat of a catastrophic nature, statement of declared emergency and inability to fund through other means. Projects will be developed with the assistance of the Community Development Division as a particular need arises. To be eligible, these projects and their activities must meet the "urgent need" national objective of Section 104(b)(3) of the Federal Act. Generally, projects funded are those, which need immediate attention and are, therefore, inappropriate for consideration under the Community Focus Fund. The types of projects, which typically receive funding, are municipal water systems (where the supply of potable water has been threatened by severe weather conditions) and assistance with demolition or cleanup after a major fire, flood, or other natural disaster. Although all projects will be required to meet the "urgent need" national objective, the Department of Commerce may choose to actually fund the project under one of the other two national objectives, if it deems it expedient to do so. Applicants must adequately document that other financial resources are not available to meet such needs pursuant to Section 104(b)(3) of the Federal Act and 24 CFR 570.483 of HUD regulations.

Only that portion of a project, which addresses an immediate need, should be addressed. This is particularly true of municipal water or sewer system projects, which tend to need major reinvestment in existing plants or facilities, in addition to the correction of the immediate need. The amount of grant award is determined by the individual circumstances surrounding the request for emergency funds. A community may be required to provide a match through cash, debt or provision of employee labor.

The Quick Response Fund will also be available to eligible activities, which meet the "benefit to low and moderate income" or "prevention and elimination of slums and blight" goals of the Federal Act. The community must demonstrate that the situation requires immediate attention (i.e., that participation in CFF program would not be a feasible funding alternative or poses an immediate or imminent threat to the health or welfare of the community) and that the situation is not the result of negligence on the part of the community. Communities must be able to demonstrate that reasonable efforts have been made to provide or obtain financing from other resources and that such efforts where unsuccessful, unwieldy or inadequate. Alternatively, communities must be able to demonstrate that an opportunity to complete a project of significant importance to the community would be lost if required to adhere to the timetables of competitive programs.

#### F. Technical Assistance: \$368,479

Pursuant to the federal Housing and Community Development Act (Federal Act), specifically Section 106(d)(5), the State of Indiana is authorized to set aside up to one percent (1%) of its total allocation for technical assistance activities. The amount set aside for such Technical Assistance in the State's FY 2004 Consolidated Plan Update is \$368,479, which constitutes one-percent (1%) of the State's FY 2004 CDBG allocation of \$36,847,940. The State of Indiana reserves the right to set aside up to one percent (1%) of open prior-year funding amounts for the costs of providing technical assistance on an as-needed basis.

The amount set aside for the Technical Assistance Program will not be considered a planning cost as defined under Section 105(a)(12) of the Federal Act or an administrative cost as defined under Section 105(a)(13) of the Federal Act. Accordingly, such amounts set aside for Technical Assistance will not require matching funds by the State of Indiana. The Department reserves the right to transfer a portion or all of the funding set aside for Technical Assistance to another program hereunder as deemed appropriate by the Department of Commerce, in accordance with the "Program Amendments" provisions of this document. The Technical Assistance Program is designed to provide, through direct Department of Commerce staff resources or by contract, training and technical assistance to units of general local government, nonprofit and for-profit entities relative to community and economic development initiatives, activities and associated project management requirements.

- 1. **Distribution of the Technical Assistance Program Setaside:** Pursuant to HUD regulations and policy memoranda, the Department of Commerce may use alternative methodologies for delivering technical assistance to units of local government and nonprofits to carry out eligible activities, to include:
  - a. Provide the technical assistance directly with Department of Commerce or other State staff;
  - b. Hire a contractor to provide assistance;
  - c.. Use subrecipients such as Regional Planning Organizations as providers or securers of the assistance;
  - d. Directly allocate the funds to non-profits and units of general local governments to secure/contract for technical assistance.
  - e. Pay for tuition, training, and/or travel fees for specific trainees from units of general local governments and nonprofits;
  - f. Transfer funds to another state agency for the provision of technical assistance; and,
  - g. Contracts with state-funded institutions of higher education to provide the assistance.
- 2. Ineligible Uses of the Technical Assistance Program Setaside: The 1% setaside may not be used by the Department of Commerce for the following activities:
  - a. Local administrative expenses not related to community development;
  - b. Any activity that can not be documented as meeting a technical assistance need;
  - c. General administrative activities of the State not relating to technical assistance, such as monitoring state grantees, rating and ranking State applications for CDBG assistance, and drawing funds from the Department of Commerce; or,
  - d. Activities that are meant to train State staff to perform state administrative functions, rather than to train units of general local governments and non-profits.

#### G. Planning Fund: \$ 1,600,000

The State (Department of Commerce) will set aside \$1,600,000 of its FY 2004 CDBG funds for planning-only activities, which are of a project-specific nature. The Department of Commerce will make planning-only grants to units of local government to carry out planning activities eligible under 24 CFR 570.205 of applicable HUD regulations. The Department will award such grants on a competitive basis and grant the Department's Community Development Division will review applications monthly. The Department will give priority to project-specific applications having planning activities designed to assist the applicable unit of local government in meeting its community development needs by reviewing all possible sources of funding, not simply the Department's Community Focus Fund or Community Economic Development Fund.

CDBG-funded planning costs will exclude final engineering and design costs related to a specific activity which are eligible activities/costs under 24 CFR 570.201-204.

#### G. Administrative Funds Setaside: \$836,958

The State (Department of Commerce) will set aside \$836,958 of its FY 2004 CDBG funds for payment of costs associated with administering its State Community Development Block Grant (CDBG) Program (CFDA Number 14.228). This amount (\$836,958) constitutes two-percent (2%) of the State's FY 2004 CDBG allocation

(\$736,958), plus an amount of \$100,000 (\$36,847,940 X 0.02 = \$736,958 + \$100,000 = \$836,958). The amount constituted by the 2% setaside (\$736,958) is subject to the \$1-for-\$1 matching requirement of HUD regulations. The \$100,000 supplement is not subject to state match. These funds will be used by the Department of Commerce for expenses associated with administering its State CDBG Program, including direct personal services and fringe benefits of applicable Department of Commerce staff, as well as direct and indirect expenses incurred in the proper administration of the state's program and monitoring activities respective to CDBG grants awarded to units of local government (i.e. telephone, travel, services contractual, etc.). These administrative funds will also be used to pay for contractors hired to assist the Department of Commerce in its consolidated planning activities.

#### PRIOR YEARS' METHODS OF DISTRIBUTION

This Consolidated Plan, statement of Method of Distribution is intended to amend all prior Consolidated Plans for grant years where funds are still available to reflect the new program designs. The Methods of Distribution described in this document will be in effect commencing on June 1, 2004, and ending May 31, 2004, unless subsequently amended, for all FY 2004 CDBG funds as well as remaining residual balances of previous years' funding allocations, as may be amended from time to time subject to the provisions governing "Program Amendments" herein. The existing and amended program budgets for each year are outlined below (administrative fund allocations have not changed and are not shown below). Adjustments in the actual dollars may occur as additional reversions become available.

At this time there are only nominal funds available for reprogramming for prior years' funds. If such funds should become available, they will be placed in the CFF Fund. This will include reversions from settlement of completed grantee projects., there are no fund changes anticipated. For prior years' allocations there are no fund changes anticipated. Non-expended funds, which revert from the financial settlement of projects funded from other programs, will be placed in the Community Focus Fund (CFF).

#### PROGRAM APPLICATION

The Community Economic Development Fund Program (CEDF), Quick Response Program (QR), and Planning Fund/Program (PL) will be conducted through a single-stage, continuous application process throughout the program year. The application process for the Community Focus Fund (CFF) will be divided into two stages. Eligible applicants will first submit a short program proposal for such grants. Proposers with projects eligible under the Federal Act will be invited to submit a full application. For each program, the full application will be reviewed and evaluated. The IDOC's Community Development Division and Development Finance Division, as applicable, will provide technical assistance to the communities in the development of proposals and full applications.

An eligible applicant may submit only one Community Focus Fund (CFF) application per cycle. Additional applications may be submitted under the other state programs. The Department of Commerce reserves the right to negotiate Planning-Only grants with CFF applicants for applications lacking a credible readiness to proceed on the project or having other planning needs to support a CFF project.

#### OTHER REQUIREMENTS

While administrative responsibility for the Small Cities CDBG program has been assumed by the State of Indiana, the State is still bound by the statutory requirements of the applicable legislation passed by Congress, as well as federal regulations promulgated by the U. S. Department of Housing and Urban Development (HUD) respective to the State's CDBG program as codified under Title 24, Code of the Federal Register. HUD has passed on these responsibilities and requirements to the State and the State is required to provide adequate evidence to HUD that it is carrying out its legal responsibilities under these statutes.

As a result of the Federal Act, applicants who receive funds through the Indiana Department of Commerce selection process will be required to maintain a plan for minimizing displacement of persons as a result of activities assisted with CDBG funds and to assist persons actually displaced as a result of such activities. Applicants are required to

provide reasonable benefits to any person involuntarily and permanently displaced as a result of the use of assistance under this program to acquire or substantially rehabilitate property. The State has adopted standards for determining reasonable relocation benefits in accordance with HUD regulations.

CDBG "Program Income" may be generated as a result of grant implementation. The State of Indiana may enter into an agreement with the grantee in which program income is retained by the grantee for eligible activities. Federal guidelines require that program income be spent prior to requesting additional draw downs. Expenditure of such funds requires prior approval from the Department of Commerce (IDOC). The State (Department of Commerce) will follow HUD regulations set forth under 24 CFR 570.489(e) respective to the definition and expenditure of CDBG Program Income.

All statutory requirements will become the responsibility of the recipient as part of the terms and conditions of grant award. Assurances relative to specific statutory requirements will be required as part of the application package and funding agreement. Grant recipients will be required to secure and retain certain information, provide reports and document actions as a condition to receiving funds from the program. Grant management techniques and program requirements are explained in the IDOC's CDBG Grantee Implementation Manual, which is provided to each grant recipient.

Revisions to the Federal Act have mandated additional citizen participation requirements for the State and its grantees. The State has adopted a written Citizen Participation Plan, which is available for interested citizens to review. Applicants must certify to the State that they are following a detailed Citizen Participation Plan which meets Title I requirements. Technical assistance will be provided by the Department of Commerce to assist program applicants in meeting citizen participation requirements.

The State has required each applicant for CDBG funds to certify that it has identified its housing and community development needs, including those of low and moderate income persons and the activities to be undertaken to meet those needs.

#### INDIANA DEPARTMENT OF COMMERCE (IDOC)

The Indiana Department of Commerce intends to provide the maximum technical assistance possible for all of the programs to be funded from the CDBG program. Lieutenant Governor Katherine L. Davis heads the Department of Commerce. Principal responsibility within the IDOC for the CDBG program is vested in the Executive Director, Timothy J. Monger. The Manager of Finance and Administration of the Department of Commerce (Kelly Boe) has the responsibility of administering compliance activities respective to CDBG grants awarded to units of local government by the IDOC's Development Finance and Community Development Divisions.

Primary responsibility for providing "outreach" and technical assistance for the Community Focus Fund and Planning Fund process resides with the Community Development Division, and IDOC's Regional Offices. Primary responsibility for providing "outreach" and technical assistance for the Community Economic Development Program and award process resides with the Development Finance Division. Primary responsibility for providing "outreach" and technical assistance for the Housing award process resides with the Indiana Housing Finance Authority who will act as the administrative agent on behalf of the Indiana Department of Commerce.

The Controller's Office will also provide internal fiscal support services for program activities. The Grants Management Section of the Controller's Office has overall responsibilities for CDBG program management, compliance and financial monitoring of all CDBG programs. The Indiana State Board of Accounts pursuant to the federal Office of Management and Budget Circular A-133 will conduct audits. Potential applicants should contact the Department of Commerce with any questions or inquiries they may have concerning these or any other programs operated by the Department.

Information regarding the past use of CDBG funds is available at the:

#### Community Development Division One North Capitol, Suite 700 Indianapolis, Indiana 46204-2288

#### Attention: Kelly Boe, Manager of Finance and Administration Telephone: (317) 232-8831

elephone: (317) 232-883 FAX: (317) 233-6503

For technical assistance with the Community Focus Fund or Planning Fund, contact the respective IDOC Regional Office where your project is located:

**Region 1**: 219-787-6997

Jasper, Lake, Newton, Porter

**Region 2**: 574-288-6836

Elkhart, Fulton, Kosciusko, LaGrange, LaPorte, Marshall, Pulaski, St. Joseph, Starke

**Region 3**: 260-426-8802

Adams, Allen, DeKalb, Huntington, Noble, Steuben, Wells, Whitely

**Region 4**: 765-868-8167

Cass, Grant, Howard, Miami, Tipton, Wabash

**Region 5**: 765-775-2125

Benton, Carroll, Clinton, Tippecanoe, Warren, White

**Region 6**: 812-237-8800

Clay, Fountain, Montgomery, Parke, Putnam, Sullivan, Vermillion, Vigo

Region 7: 317-234-2081

Boone, Hamilton, Hancock, Hendricks, Johnson, Madison, Marion, Morgan, Shelby

**Region 8**: 765-285-1553

Blackford, Delaware, Henry, Jay, Randolph, Wayne

**Region 9**: 812-574-4362

Dearborn, Fayette, Franklin, Jefferson, Ohio, Ripley, Rush, Switzerland, Union

Region 10: 812-856-4093

Bartholomew, Brown, Decatur, Greene, Jackson, Jennings, Lawrence, Monroe, Owen

Region 11: 812-461-5353

Daviess, Dubois, Gibson, Knox, Martin, Perry, Pike, Posey, Spencer, Vanderburgh, Warrick

#### **Region 12**: 812-941-2117

Clark, Crawford, Floyd, Harrison, Orange, Scott, Washington

#### **DEFINITIONS**

**Low and moderate income** - is defined as 80% of the median family income (adjusted by size) for each county. For a county applicant, this is defined as 80% of the median income for the state. The income limits shall be as defined by the U. S. Department of Housing and Urban Development Section 8 Income Guidelines for "low income families." Certain persons are considered to be "presumptively" low and moderate income persons as set forth under 24 CFR 570.208(a)(2); inquiries as to such presumptive categories should be directed to the IDOC's Grants Management Office, Attention: Ms. Kelly Boe at (317) 232-8831.

**Matching funds** - local public or private sector in-kind services, cash or debt allocated to the CDBG project. The **minimum** level of local matching funds for Community Focus Fund (CFF) projects is ten-percent (10%) of the **total estimated project costs**. This percentage is computed by adding the proposed CFF grant amount and the local matching funds amount, and dividing the local matching funds amount by the total sum of the two amounts. The 2004 definition of match has been adjusted to include a maximum of 5% pre-approved and validated in-kind contributions. The balance of the ten (10) percent must be in the form of either cash or debt. Any in-kind over and above the specified 5% may be designated as local effort. Funds provided to applicants by the State of Indiana such as the Build Indiana Fund are not eligible for use as matching funds.

Private investment resulting from CDBG projects does not constitute local match for all IDOC-CDBG programs except the Community Economic Development Fund (CEDF); such investment will, however, be evaluated as part of the project's impact, and should be documented. The Development Finance Division reserves the right to determine sources of matching funds for CEDF projects.

**Proposal (synonymous with "pre-application)** - A document submitted by a community which briefly outlines the proposed project, the principal parties, and the project budget and how the proposed project will meet a goal of the Federal Act. If acceptable, the community may be invited to submit a full application.

**Reversions** - Funds placed under contract with a community but not expended for the granted purpose because expenses were less than anticipated and/or the project was amended or canceled and such funds were returned to the Department of Commerce upon financial settlement of the project.

**Slums or Blight** - an area/parcel which: (1) meets a definition of a slum, blighted, deteriorated, or deteriorating area under state or local law (Title 36-7-1-3 of Indiana Code); and (2) meets the requirements for "area basis" slum or blighted conditions pursuant to 24 CFR 570.208(b)(1) and 24 CFR 570.483(c)(1), or "spot basis" blighted conditions pursuant to 24 CFR 570.208(b)(2) and 24 CFR 570.483(c)(2).

**Urgent Need** - is defined as a serious and immediate threat to health and welfare of the community. The Chief Elected Official must certify that an emergency condition exists and requires immediate resolution and that alternative sources of financing are not available. An application for CDBG funding under the "urgent need" CDBG national objective must adhere to all requirements for same set forth under 24 CFR 570.208(c) and 24 CFR 570.483(d).

#### **DISPLACEMENT PLAN**

- 1. The State shall fund only those applications, which present projects and activities, which will result in the displacement of as few persons or businesses as necessary to meet the goals and objectives of the state and local CDBG-assisted program.
- 2. The State will use this criterion as one of the guidelines for project selection and funding.
- 3. The State will require all funded communities to certify that the funded project is minimizing displacement.
- 4. The State will require all funded communities to maintain a local plan for minimizing displacement of persons or businesses as a result of CDBG funded activities, pursuant to the federal Uniform Relocation and Acquisitions Policies Act of 1970, as amended.
- 5. The State will require that all CDBG funded communities provide assistance to all persons displaced as a result of CDBG funded activities.
- 6. The State will require each funded community to provide reasonable benefits to any person involuntarily and permanently displaced as a result of the CDBG funded program.

#### GENERAL SELECTION CRITERIA

The Department of Commerce (IDOC) will consider the following general criteria when evaluating a project proposal. Although projects will be reviewed for this information at the proposal stage, no project will be eliminated from consideration if the criteria are not met. Instead, the community will be alerted to the problem(s) identified. Communities must have corrected any identified deficiencies by the time of application submission for that project to be considered for funding.

### A. General Criteria (all programs - see exception for program income and housing projects through the IHFA in 6 below):

- 1. The applicant must be a legally constituted general purpose unit of local government and eligible to apply for the state program.
- 2. The applicant must possess the legal capacity to carry out the proposed program.
- 3. If the applicant has previously received funds under CDBG, they must have successfully carried out the program. An applicant must not have any overdue closeout reports, State Board of Accounts OMB A-133 audit or IDOC monitoring finding resolutions (where the community is responsible for resolution.) Any determination of "overdue" is solely at the discretion of the Indiana Department of Commerce.
- 4. An applicant must not have any overdue CDBG semi-annual Grantee Performance Reports, subrecipient reports or other reporting requirements of the IDOC. Any determination of "overdue" is solely at the discretion of the Indiana Department of Commerce.
- 5. The applicant must clearly show the manner in which the proposed project will meet one of the three national CDBG objectives and meet the criteria set forth under 24 CFR 570.483.
- 6. The applicant must show that the proposed project is an eligible activity under the Act.
- 7. The applicant must first encumber/expend all CDBG program income receipts before applying for additional grant funds from the Department of Commerce; EXCEPTION this general criteria will not apply to applications made directly to the Indiana Housing Finance Authority (IHFA) for CDBG-funded housing projects.

#### B. Community Focus Fund (CFF) and Planning Fund (PL):

- 1. To be eligible to apply at the time of application submission, an applicant must not have any:
  - a. Overdue grant reports, subrecipient reports or project closeout documents; or
  - b. More than one open or pending CDBG-CFF grant or CDBG-Planning grant (Indiana cities and incorporated towns).
  - c. For those applicants with one open CFF, a "Notice of Release of Funds and Authorization to Incur Costs" must have been issued for the construction activities under the open CFF contract, and a contract for construction of the principal (largest funding amount) construction line item (activity) must have been executed prior to the deadline established by IDOC for receipt of applications for CFF funding.
  - d. For those applicants who have open Planning Fund grants, the community must have final plan approved by the Community Development Division prior to submission of a CFF application for the project.

- f. An Indiana county may have two (2) open CFF's and/or Planning Grants and apply for a third CFF or Planning Grant. A county may have only three (3) open CFF's or Planning Grants. Both CFF contracts must have an executed construction contract by the application due date.
- 2. The cost/beneficiary ratio for CFF funds will be maintained at a reasonable rate, except for daycare and housing-related projects where that ratio will not exceed \$10,000. Housing-related projects are to be submitted directly to the Indiana Housing Finance Authority (IHFA) under its programs, except for projects entailing construction of infrastructure (to be publicly dedicated right-of-way) in support of housing-related projects. Projects for infrastructure in support of housing needs may be submitted to the IDOC for CFF funding.
- 3. At least 10% leveraging (as measured against the CDBG project, see definitions) must be proposed. The Indiana Department of Commerce may rule on the suitability and eligibility of such leveraging.
- 4. The applicant may only submit one proposal or application per round. Counties may submit either for their own project or an "on-behalf-of" application for projects of other eligible applicants within the county. However, no application will be invited from a county where the purpose is clearly to circumvent the "one application per round" requirement for other eligible applicants.
- 5. The application must be complete and submitted by the announced deadline.
- 6. For area basis projects, applicants must provide convincing evidence that circumstances in the community have so changed that a survey conducted in accordance with HUD survey standards is likely to show that 51% of the beneficiaries will be of low-and-moderate income. This determination is not applicable to specifically targeted projects.
- C. Housing Programs: Refer to Method of Distribution for Indiana Housing Finance Authority within this FY 2004 Consolidated Plan Update

# D. Quick Response Program:

Applicants for the Quick Response Program funds must meet the General Criteria set forth in Section A above, plus the specific program income requirements set forth in the "Method of Distribution" section of this document.

#### E. Community Economic Development Program/Fund (CEDF):

Applicants for the Community Economic Development Fund assistance must meet the General Criteria set forth in Section A above, plus the specific program requirements set forth in the "Method of Distribution" section of this document.

# **GRANT EVALUATION CRITERIA – 1,000 POINTS TOTAL**

# **Economic and Demographic Characteristics (450 points):**

# **National Objective Score (200 points):**

Depending on the National Objective to be met by the project, one of the following two mechanisms will be used to calculate the score for this category.

1. National Objective = Benefit to Low- and Moderate-Income Persons: 200 points maximum awarded according to the percentage of low- and moderate-income individuals to be served by the project. The total points given are computed as follows:

# National Objective Score = % Low/Mod Beneficiaries X 2.5

The point total is capped at 200 points or 80% low/moderate beneficiaries, i.e., a project with 80% or greater low/moderate beneficiaries will receive 200 points. Below 80% benefit to low/moderate-income persons, the formula calculation will apply.

National Objective = Prevention or Elimination of Slums or Blight: 200 points maximum awarded based on the characteristics listed below. The total points given are computed as follows:

#### National Objective Score = (Total of the points received in each category below) X 2.5

	Slum/Blight Area or Spot designated by resolution of the local unit of government (50 pts.)
Comi	Community is an Indiana Main Street Member, Main Street Community, or Certified Indiana Main Street munity, and the project relates to downtown revitalization (5 pts.)
	The project is located in an Indiana Urban Enterprise Zone (5 pts.)
	The project site is a brownfield* (5 pts.)
	The project is located in a designated redevelopment area under IC 36-7-14 (5 pts.)
	The building or district is listed on the Indiana or National Register of Historic Places (10 pts.)
	The building or district is eligible for listing on the Indiana or National Register of Historic Places (5 pts.)
	The building is on the Historic Landmarks Foundation of Indiana's "10 Most Endangered List" (10 pts.)

\* The State of Indiana defines a brownfield as a parcel of real estate that is abandoned or inactive; or may not be operated at its appropriate use; and on which expansion, redevelopment, or reuse is complicated because of the presence or potential presence of a hazardous substance, a contaminant, petroleum, or a petroleum product that poses a risk to human health and the environment.

# **Community Distress Factors (250 Points):**

The six community distress factors used to measure the economic conditions of the applicant community are listed below. Each measure is described with an explanation and an example of how the points are determined. Four of the factors (unemployment rate, net assessed valuation per capita, median housing value, and percentage of population change) can receive a maximum of 50 points, while two of the factors (median household income and family poverty rate) have a maximum value of 25 points. The sum of these six scores equals the total community distress score, and has a maximum of 250 points. Before calculations are carried out, extreme values (i.e., outliers) are identified and excluded from the rescaling process. Outliers are assigned a score of 0, 25, or 50, as appropriate.

**Unemployment Rate (50 points maximum)**: Unemployment rate for the county of the lead applicant. The most recent average annual rate available is used.

- a. If the unemployment rate is above the maximum value, 50 points are awarded.
- b. If the unemployment rate is below the minimum value, 0 points are awarded.
- c. Between those values, the points are calculated by taking the unemployment rate, subtracting the minimum value, dividing by the range, and multiplying by 50.

# **Unemployment Rate Points = [((Unemployment rate - minimum)/range X 50]**

For example, if the unemployment rate is 4.5%, the minimum value is 2.6%, maximum value is 9.7%, and range is 7.1%, take unemployment rate of 4.5%, subtract the minimum value of 2.6%, divide by a range of 7.1%, and multiply by 50. The score would be 13.38 point of a possible 50;  $[((4.5 - 2.6)/7.1) \times 50]$ .

**Net Assessed Value/capita (50 points maximum)**: Net assessed value per capita (NAV pc) for lead applicant<sup>1</sup>. The most recent net assessed valuation figures<sup>2</sup>, as well as the most recent population figures are used.

To determine the NAV pc, divide the net assessed valuation by the population estimate for the same year. For example, for 2002 NAV pc, you would divide the 2002 NAV by the Census Bureau's estimate of the population on July 1, 2002.

# **NAV** per capita = **NAV**/Total Population

- d. If the net assessed value per capita for the lead applicant is above the maximum value, 0 points are awarded.
- e. If the net assessed value per capita for the lead applicant is below the minimum value, 50 points are awarded.
- f. Between those values, the points are calculated by subtracting 50 from the NAVpc minus the minimum value, divided by the range and multiplied by 50.

# NAV per capita points = $50 - [((NAV pc - minimum)/range) \times 50]$

For example, if the NAVpc is \$29,174, the minimum value is \$2,589 (excluding outliers), maximum value is \$75,524 (excluding outliers), and the range is \$72,935, take 50, subtract the NAV/capita of \$29,174 minus the minimum value of \$2,589, divide by the range of \$72,935, and multiply by 50. The score would be 31.78 points of a possible 50 points;  $50 - [((29,174 - 2,589)/72,935) \times 50]$ .

**Median Housing Value (50 points maximum):** Median Housing Value (MHV) for lead applicant<sup>3</sup>. Data from the most recent census are used.

<sup>&</sup>lt;sup>1</sup> For unincorporated areas, the NAV pc will be calculated based on data at the township level.

<sup>&</sup>lt;sup>2</sup> All applicants will utilize the same basis, i.e., true tax value or market value, for the NAV pc calculation.

<sup>&</sup>lt;sup>3</sup> For unincorporated areas MHV will be calculated based on data at the township level.

# Median Housing Value Points = $50 - [((MHV - minimum)/range) \times 50]$

- g. If the median housing value for the lead applicant is above the maximum value, 0 points are awarded.
- h. If the median housing value for the lead applicant is below the minimum value, 50 points are applicant.

For example, if the median housing value is \$79,000, the minimum value is \$24,300 (excluding outliers), maximum value is \$246,300 (excluding outliers) and the range is \$222,000, take 50, subtract the MHV of \$79,000 minus the minimum value of \$24,300, divide by the range of \$222,000, and multiply by 50. The score would be 37.68 points out of a total possible of 50;  $50 - [((79,000 - 24,300)/222,000) \times 50]$ .

**Median Household Income (25 points maximum):** Median household income (MHI) for the lead applicant<sup>4</sup>. Data from the most recent census are used.

# Median Household Income Points = 25 – [((MHI – minimum)/range) X 25]

- i. If the median household income is above the maximum value, 0 points are awarded.
- j. If the median household income is below the minimum value, 25 points are awarded.
- k. Between those values, the points are calculated by subtracting 25 from the MHI minus the minimum value, divided by the range, and multiplied by 25.

For example, if the Median Household Income is \$35,491, the minimum value is \$16,667 (excluding outliers), maximum value is \$97,723 (excluding outliers), range is \$81,056, take 25, subtract the MHI of \$35,491, minus the minimum value of \$16,667, divide by the range of \$81,056, and multiply by 25. The score would be 19.19 points out of a possible 25;  $25 - [((35,491 - 16,667)/81,056) \times 25]$ .

**Family Poverty Rate (25 points maximum):** Family poverty rate for the lead applicant<sup>5</sup>. Data from the most recent census are used.

Family Poverty Rate Points = [((Family Poverty Rate – minimum)/range) X 25]

<sup>&</sup>lt;sup>4</sup> For unincorporated areas MHI will be calculated based on data at the township level.

<sup>&</sup>lt;sup>5</sup> For unincorporated areas Family Poverty Rate will be calculated based on data at the township level.

- 1. If the family poverty rate is above the maximum value, 25 points are awarded.
- m. If the family poverty rate is below the minimum value, 0 points are awarded.
- n. Between those values, the points are calculated by subtracting the Family Poverty Rate from the minimum value, then dividing by the range, and multiplying by 25.

For example, if the family poverty rate is 1.4%, the minimum value is 0% (excluding outliers), maximum value is 25% (excluding outliers), and range is 25%, take family poverty rate of 1.4%, subtract the minimum value of 0%, divide by a range of 25%, and multiply by 25. The score would be 1.4 points of a possible 50;  $[((1.4-0)/25) \times 25]$ 

**Percentage Population Change (50 points maximum):** Percentage population change from 1990 to 2000 for the lead applicant<sup>6</sup>. The percentage change is computed by subtracting the 1990 population from the 2000 population and dividing by the 1990 population. Convert this decimal to a percentage by multiplying by 100.

# Percentage Population Change = [(2000 population - 1990 population)/1990 population] X 100

- o. If the population changed above the maximum percentage value, 0 points are awarded.
- p. If the population changed below the minimum percentage value, 50 points are awarded.
- q. Between those values, the points are calculated by subtracting 50 from the Percentage population change minus the minimum value divided by the range, and multiplied by 50.

#### Percentage Population Change points = 50 - [(Percentage population change - minimum)/range) X 50]

For example, if the population increased by 16.61%, the minimum value is -61.33% (excluding outliers), maximum value is 181.27% (excluding outliers), range is 242.60%, take 50, subtract 16.61% minus the minimum value of -61.33%, divide the range of 242.60%, and multiply by 50. The score would be 33.94 points out of a total possible of 50;  $50 - [((16.61 - (-61.33)/242.60) \times 50]$ .

#### **Local Match Contribution (100 points):**

Up to 100 points possible based on the percentage of local funds devoted to the project. This total is determined as follows:

<sup>&</sup>lt;sup>6</sup> For unincorporated areas percentage population change will be calculated based on data at the township level.

# **Total Match Points = % Eligible Local Match X 2**

Eligible local match can be local cash or debt. Government grants, including Build Indiana Funds, are not considered eligible match. In-kind sources may provide eligible local match for the project, but the amount that can be counted as local match is limited to 5% of the total project budget, up to a maximum of \$25,000. Use of in-kind donations as eligible match is subject to prior approval from the Indiana Department of Commerce, Community Development Division.

# **Project Design Factors (450 points):**

450 points maximum awarded according to the evaluation in three areas:

**Project Need** - why does the community need this project?

**Financial Impact** - why is grant assistance necessary to complete this project?

**Local Effort** - what has/is the community doing to move this project forward?

The project can receive a total of 150 points in each category. The project design points are awarded in **10**-point increments. The points in these categories are awarded by the IDOC review team when evaluating the projects. Applicants should work with their IDOC representative to identify ways to increase their project's scores in these areas. Other factors may affect the project design score.

# CITIZEN PARTICIPATION PLAN INDIANA DEPARTMENT OF COMMERCE (STATE)

The State of Indiana, Department of Commerce, pursuant to 24 CFR 91.115, 24 CFR 570.431 and 24 CFR 570.485(a) wishes to encourage maximum feasible opportunities for citizens and units of general local government to provide input and comments as to its Methods of Distribution set forth in the Department's annual Consolidated Plan for CDBG funds submitted to HUD as well as the Department's overall administration of the State's Small Cities Community Development Block Grant (CDBG) Program. In this regard, the Department of Commerce will perform the following:

- 1. Require each unit of general local government to comply with citizen participation requirements for such governmental units as specified under 24 CFR 570.486(a), to include the requirements for accessibility to information/records and to furnish citizens with information as to proposed CDBG funding assistance as set forth under 24 CFR 570.486(a)(3), provide technical assistance to representatives of low-and-moderate income groups, conduct a minimum of two (2) public hearings on proposed projects to be assisted by CDBG funding, such hearings being accessible to handicapped persons, provide citizens with reasonable advance notice and the opportunity to comment on proposed projects as set forth in Title 5-3-1 of Indiana Code, and provide interested parties with addresses, telephone numbers and times for submitting grievances and complaints.
- 2. Consult with local elected officials and the Department's Grant Administrator Networking Group in the development of the Method of distribution set forth in the State's Consolidated Plan for CDBG funding submitted to HUD.
- 3. Publish a proposed or "draft" Consolidated Plan and afford citizens, units of general local government, and the CDBG Policy Advisory committee the opportunity to comment thereon;
- 4. Furnish citizens and units of general local government with information concerning the amount of CDBG funds available for proposed community development and housing activities and the range/amount of funding to be used for these activities;
- 5. Hold one (1) or more public hearings respective to the State's proposed/draft Consolidated Plan, on amendments thereto, duly advertised in newspapers of general circulation in major population areas statewide pursuant to I.C. 5-3-1-2 (B), to obtain the views of citizens on proposed community development and housing needs. The Consolidated Plan Committee published the enclosed legal advertisement to twelve (12) regional newspapers of general circulation statewide respective to the public hearings (April 19 and April 20, 2004) held on the 2004

  Consolidated Plan Update. In addition, this notice was distributed by mail to over 3,000 local officials, non-profit entities, and interested parties statewide in an effort to maximize citizen participation in the FY 2004 consolidated planning process:

The Republic, Columbus, IN
Indianapolis Star, Indianapolis, IN
The Journal-Gazette, Fort Wayne, IN
The Chronicle-Tribune, Marion, IN
The Courier Journal, Louisville, KY
Gary Post Tribune, Gary, IN
Tribune Star, Terre Haute, IN
Journal & Courier, Lafayette, IN
Evansville Courier, Evansville, IN
South Bend Tribune, South Bend, IN
Palladium-Item, Richmond, IN
The Times, Munster, IN

- 6. Provide citizens and units of general local government with reasonable and timely access to records regarding the past and proposed use of CDBG funds,
- 7. Make the Consolidated Plan available to the public at the time it is submitted to HUD, and;
- 8. Follow the process and procedures outlined in items 2 through 7 above with respect to any amendments to a given annual CDBG Consolidated Plan and/or submission of the Consolidated Plan to HUD.

In addition, the State also will solicit comments from citizens and units of general local government on its CDBG Performance Review submitted annually to the U.S. Department of Housing and Urban Developments (HUD). Prior to its submission of the Review to HUD, the State will advertise regionally statewide (pursuant to I.C. 5-3-1) in newspapers of general circulation soliciting comments on the Performance and Evaluation Report.

The State will respond within thirty (30) days to inquiries and complaints received from citizens and, as appropriate, prepare written responses to comments, inquiries or complaints received from such citizens.

# NOTICE OF PUBLIC HEARING FY 2004 CONSOLIDATED PLAN FOR FUNDING

# INDIANA DEPARTMENT OF COMMERCE INDIANA HOUSING FINANCE AUTHORITY INDIANA FAMILY AND SOCIAL SERVICES ADMINISTRATION INDIANA DEPARTMENT OF HEALTH

Pursuant to 24 CFR Part 91.115(a)(2), the State of Indiana wishes to encourage citizens to participate in the development of the State of Indiana Consolidated Plan for 2004. In accordance with this regulation, the State is providing the opportunity for citizens to comment on the 2004 Consolidated Plan Update draft report, which will be submitted to the US Department of Housing and Urban Development (HUD) on or before May 15, 2004. The Consolidated Plan defines the funding sources for the State of Indiana's four (4) major HUD-funded programs and provides communities a framework for defining comprehensive development planning. The FY 2004 Consolidated Plan will set forth the method of distribution of funding for the following state agencies and HUD-funded programs:

Indiana Department of Commerce - State Community Development Block Grant (CDBG) Program
Indiana Housing Finance Authority - Home Investment Partnership Program
Indiana Housing Finance Authority - Housing Opportunities for Persons With Aids Program
Indiana Family and Social Services Administration - Emergency Shelter Grant Program

These public hearings will be conducted as follows:

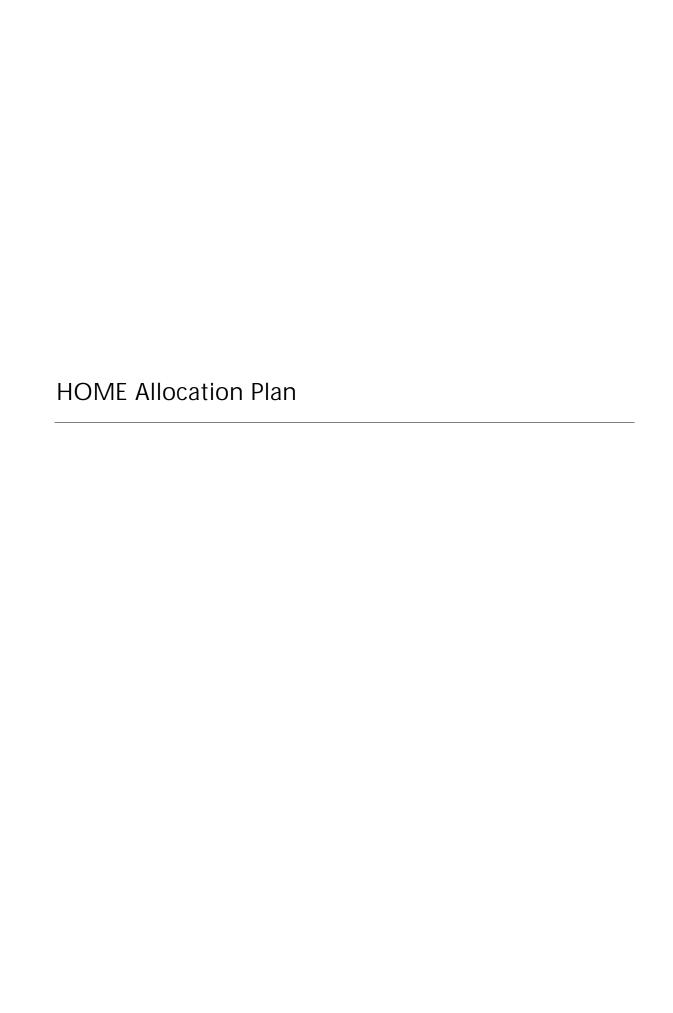
April 19, 2004 – Crawfordsville City Library 222 South Washington Street Crawfordsville, IN 47933

April 20, 2004 – Greenwood City Building 2 North Madison Avenue Greenwood, IN 46142

If you are unable to attend the public hearings, written comments are invited through April 30, 2004, at the following address:

Grants Management Office Indiana Department of Commerce One North Capitol - Suite 700 Indianapolis, IN 46204-2288

Please direct all questions to the Grants Management Office of the Department of Commerce at its toll free telephone number (800-246-7064) during normal business hours.





# **Program Descriptions and Allocation Plan**

# Program Year 2004

Community Development Block Grant (CDBG) HOME Investment Partnerships Program (HOME) American Dream Down Payment Assistance (ADDI)

# **Methods of Distribution**

The Indiana Housing Finance Authority (IHFA) allocates CDBG, HOME, and ADDI funds through the programs shown below. Each program area has unique criteria upon which funding decisions are based. For full program information, please refer to IHFA's full application packages and/or program guides.

PROGRAM NAME	FUNDING	TIMING OF FUNDING
	SOURCE	
Foundations	CDBG and	2 annual competitive funding cycles
	HOME	
CHDO Works	HOME	2 annual competitive funding cycles
Housing from Shelters to Homeownership	CDBG and	2 annual competitive funding cycles
	HOME	
RHTC/Bond/HOME Combined Funding	HOME	1 annual funding cycle
HOME Administrative Subrecipients	HOME	As needed
INTR City	HOME	TBD
Homeownership Counseling Program	HOME	TBD
HOME OOR Program	HOME	TBD
First Home/Plus	HOME/ADDI	Continuous throughout the year
First Home/One Down	HOME/ADDI	Continuous throughout the year
First Home 100	HOME/ADDI	Continuous throughout the year
HomeChoice	HOME/ADDI	Continuous throughout the year
First Home Community	HOME/ADDI	Continuous throughout the year
First Home Opportunity	HOME/ADDI	Continuous throughout the year

#### **Foundations**

The most successful housing programs are those that grow out of careful planning and assessment of the needs of a particular community. For this reason, IHFA provides funds to finance planning activities related to the development of affordable housing through the Foundations program.

#### **Eligible Applicants / Eligible Activities**

**Housing needs assessments** are used to gather data, prepare housing related community plans, and identify actions that need to be taken in order to create, develop, or preserve affordable housing. These studies are broad in nature and not specific to a particular site or activity. This activity is funded through CDBG. Only non-entitlement local units of government are eligible to apply for up to \$50,000 for this activity.

**Feasibility studies** are more specific to a particular site or housing activity and are similar to a market study. Through these studies, applicants can, among other things, identify a site for a particular housing activity, develop a preliminary estimate of costs, or identify whether or not there is adequate demand for a particular type of affordable housing. This activity is also funded through CDBG. Only non-entitlement local units of government are eligible to apply for up to \$30,000 for this activity.

**Predevelopment loans** are similar to feasibility studies except that State-certified Community Housing Development Organizations (CHDOs) are allowed to go even further into the planning process, to the point of obtaining an option to purchase the site or developing preliminary architectural plans.

**Seed money loans** can be used by CHDOs to pay for such things as final architectural and engineering plans, loan reservation fees, or building permit fees. Once a housing activity is deemed feasible and site control is obtained, a CHDO can apply for a seed money loan.

The CHDO must pay back either loan if the housing activity goes forward. The CHDO may borrow up to \$30,000 of HOME funds for a term of 24 months at a zero percent interest rate. If the housing activity is deemed infeasible or unable to go forward, the applicant may request that the loan be forgiven.

#### **Scoring Criteria**

If an application satisfies all applicable requirements, it will be evaluated and scored based on criteria in the following categories: Constituency Served; Activity Design; Organizational Capacity; Readiness to Proceed; Market; and Minority or Women Business Enterprise Participation. Applicants can receive up to 100 total possible points. No award shall be made to any application that scores below a total of 50 points.

Notwithstanding the point ranking system set forth above, IHFA, through its Board of Directors, reserves the right and shall have the power to allocate funds irrespective of its point ranking, if such intended allocation is: (1) in compliance with the applicable federal regulations; (2) in furtherance of the overall goals of the Authority; and (3) determined by the Board to be in the interests of the citizens of the State of Indiana.

Funds will be awarded only in amounts appropriate to the scope of the identified need. IHFA reserves the right to determine the exact amount and type of assistance needed for each individual housing activity.

# **CHDO Works**

# **Eligible Applicants**

Eligible applicants are not-for-profit organizations that have successfully obtained certification from IHFA as a Community Housing Development Organization (CHDO), are in good standing with IHFA, and serve non-participating jurisdiction areas (unless they will be developing transitional housing).\* Organizations that have not yet received CHDO certification (or whose certification is pending) are <u>not</u> eligible for operating funds.

# \*Participating Jurisdiction areas include:

Anderson Gary Muncie

Bloomington Hammond St. Joseph County Consortium

East Chicago Indianapolis\*\* Terre Haute

Evansville Lake County Tippecanoe County Consortium

Fort Wayne

# **Eligible Activities**

Eligible activities are those directly related to promoting the agency's ability to develop, sponsor, and/or own HOME CHDO-eligible affordable housing, such as homebuyer, rental, and transitional housing. Any applicant who successfully competes for operating funds is required to apply and receive funding for a HOME CHDO-eligible housing activities within twenty-four (24) months from the date that an operating award is made.

According to 24 CFR §92.208, eligible costs include reasonable and necessary costs for the operation of the CHDO. Such costs include, but are not limited to, salaries, wages, and other employee compensation and benefits; employee education, training, and travel; rent; utilities; communication costs; taxes; insurance; equipment, including filing cabinets; materials; supplies; annual financial audit; and costs associated with a strategic long-range plan. Other costs may also be eligible. Applicants are encouraged to consider computer equipment needs, especially hardware and software updates.

Administrative costs associated with implementing the lead based paint regulations are eligible for funding under CHDO Works. These expenses include training staff on the regulations, staff certification for Lead Inspector/Risk Assessor and Lead Construction Supervisor, and special equipment purchases such as protective clothing or XRF machines.

Eligible costs do not include furniture or other office décor.

# **Scoring Criteria**

If an application satisfies all applicable requirements, it will be evaluated and scored based on criteria in the following categories: Organizational Capacity; Community Need; Access to Skilled Individuals; Training; and Financial Management. Applicants can receive up to 100 total possible points. The minimum scoring threshold for applications will vary as follows:

<sup>\*\*</sup> The Cities of Beech Grove, Lawrence, Speedway, Southport, and the part of the Town of Cumberland located within Hancock County are not considered part of the Indianapolis participating jurisdiction. Applicants that serve these areas would be eligible for CHDO Works funding.

# Number of Previous "CHDO Works" Awards 0 awards 1 award 2 or more awards Threshold 50 points 65 points 75 points

Any application that falls below its respective threshold will not be recommended for funding.

Notwithstanding the point ranking system set forth above, IHFA, through its Board of Directors, reserves the right and shall have the power to allocate funds irrespective of its point ranking, if such intended allocation is: (1) in compliance with the applicable statutes; (2) in furtherance of promoting affordable housing; and (3) determined by IHFA's Board of Directors to be in the interests of the citizens of the State of Indiana.

Funds will be awarded only in amounts appropriate to the scope of the identified need. IHFA reserves the right to determine the exact amount and type of assistance needed for each individual housing activity.

# **Funding Limitations**

Applicants may apply for up to \$70,000 in operating assistance for a 24-month term. CHDOs may receive no more than one operating grant in a two-year period. CHDO Works funding (along with all other HOME-funded CHDO operating expenses) is limited to: (1) 50% of the CHDO's total operating expenses in any one fiscal year, or (2) \$50,000, whichever is greater.

# **Housing from Shelters to Homeownership**

The Housing from Shelters to Homeownership program provides grants and loans to public and private organizations for the rehabilitation or new construction of affordable housing. The types of housing activities that can be funded and the eligible applicants depend on the source of funding. The chart below briefly outlines what activities are eligible for CDBG and HOME and the type of applicant that is eligible to apply for those funds.

Eligible Applicants / Eligible Activities	Local Units of Government (Non-CDBG Entitlement Communities) <sup>1</sup>	Local Units of Government (Non-HOME Participating Jurisdictions) & Townships <sup>2</sup>	Community Housing Development Organizatio n (CHDO) <sup>2</sup>	501(c)3 or 501(c)4 Organizations , Public Housing Authorities, & Joint Ventures
Emergency Shelter Rehabilitation/New Construction	CDBG			
Youth Shelter Rehabilitation/New Construction	CDBG			
Transitional Housing Rehabilitation <sup>3</sup>	CDBG	HOME	HOME	HOME
Transitional Housing Rehabilitation/Refinance <sup>3</sup>		HOME	HOME	HOME
Transitional Housing New Construction <sup>3</sup>		HOME	HOME	HOME
Migrant/Seasonal Farm Worker Housing Rehabilitation/New Construction	CDBG			
Permanent Supportive Housing	CDBG	HOME	HOME	HOME

Eligible Applicants / Eligible Activities	Local Units of Government (Non-CDBG Entitlement Communities) <sup>1</sup>	Local Units of Government (Non-HOME Participating Jurisdictions) & Townships <sup>2</sup>	Community Housing Development Organizatio n (CHDO) <sup>2</sup>	501(c)3 or 501(c)4 Organizations , Public Housing Authorities, & Joint Ventures
Rehabilitation <sup>3</sup>				
Permanent Supportive Housing Rehabilitation/Refinance <sup>3</sup>		HOME	HOME	HOME
Permanent Supportive Housing New Construction <sup>3</sup>		HOME	HOME	HOME
Rental Rehabilitation	CDBG	HOME	HOME	HOME
Rental Rehabilitation/Refinance		HOME	HOME	HOME
Rental New Construction		HOME	HOME	HOME
Homebuyer Rehabilitation/New Construction		HOME	HOME	HOME
Owner-Occupied Rehabilitation	CDBG			
Voluntary Acquisition Demolition	CDBG			

<sup>&</sup>lt;sup>1</sup> The following entitlement communities are <u>not</u> eligible to apply for CDBG funds. However, non-entitlement applicants may apply for a housing activity located within an entitlement community if the applicant can demonstrate that beneficiaries will come from outside of the entitlement community's boundaries:

Anderson	Elkhart	Goshen	Indianapolis*	Michigan City	South Bend
Bloomington	Evansville	Hamilton County	Lafayette	Mishawaka	Terre Haute
Columbus	Fort Wayne	Hammond	Lake County	Muncie	West Lafayette
East Chicago	Gary	Kokomo	LaPorte	New Albany	

<sup>\*</sup> The Cities of Beech Grove, Lawrence, Speedway, Southport, and the part of the Town of Cumberland located within Hancock County are not considered part of the Indianapolis entitlement community. Applicants that serve these areas would be eligible for CHDO Works funding.

Applications from, or housing activities located within, the following participating jurisdictions are not eligible for HOME funds unless the request is for transitional housing:

Anderson Gary St. Joseph County Consortium

Bloomington Hammond Terre Haute

East Chicago Indianapolis\* Tippecanoe County Consortium

Evansville Lake County

Fort Wayne Muncie

\*The Cities of Beech Grove, Lawrence, Speedway, Southport, and the part of the Town of Cumberland located within Hancock County are not considered part of the Indianapolis participating jurisdiction. Applicants that serve these areas would be eligible for CHDO Works funding.

# Scoring Criteria

Through the scoring criteria, preference is given to housing activities that:

<sup>&</sup>lt;sup>3</sup> IHFA will accept applications for HOME-funded permanent supportive and transitional housing regardless of the development's location within the state.

- meet the needs of their specific community
- attempt to reach very low-income levels of 30% of area median income
- are ready to proceed with the housing activity upon receipt of the award
- revitalize existing neighborhoods

If an application satisfies all applicable requirements, it will be evaluated and scored based on criteria in the following categories: Constituency Served; Development Characteristics; Financing; Market; Organizational Capacity; Readiness to Proceed; and Minority and Women Business Enterprise Participation.

No award shall be made to any application that scores below 40 points. Where applicable, the funding agreement and any restrictive covenants recorded with the property will contain restrictions applicable to the points received.

Notwithstanding the point ranking system set forth above, IHFA, through its Board of Directors, reserves the right and shall have the power to allocate funds to a development irrespective of its point ranking, if such intended allocation is: (1) in compliance with applicable statutes; (2) in furtherance of promoting affordable housing; and (3) determined by IHFA's Board of Directors to be in the interests of the citizens of the State of Indiana.

Assistance may be provided in the form of grants or loans; however, funds will be awarded only in amounts appropriate to the scope of the identified need. IHFA reserves the right to determine the exact amount and type of assistance needed for each individual housing activity.

#### **Funding Limitations**

In general, eligible applicants may apply for up to \$500,000 in CDBG or \$750,000 in HOME funds through the Housing from Shelters to Homeownership program. Applicants for owner-occupied rehabilitation, though, are limited to a maximum of \$300,000.

The CDBG or HOME applicant's request for funding must not exceed the per unit subsidy limitations listed below:

- \$20,000 per bed for emergency shelters, youth shelters, or migrant/seasonal farm worker housing
- \$35,000 per 0 bedroom unit for transitional, permanent supportive, rental, or homebuyer, activities
- \$40,000 per 1-2 bedroom unit for transitional, permanent supportive, rental, or homebuyer, activities
- \$50,000 per 3 or more bedroom unit for transitional, permanent supportive, rental, or homebuyer
- \$15,000 per unit for owner occupied rehabilitation
- \$100,000 per unit for voluntary acquisition demolition activities

# Provisions for Rental Rehabilitation/Refinance

- Applicants for transitional, permanent supportive, and rental rehabilitation/refinance must demonstrate that:
  - Refinancing is necessary to maintain current affordable units and/or create additional affordable units.
  - The primary activity is rehabilitation. The applicant must budget a minimum of 51% of the HOME funds for rehabilitation.
  - The development will satisfy a minimum 15-year affordability period.

- Disinvestment in the property has not occurred.
- The long term needs of the development can be met.
- It is feasible to serve the targeted population over the affordability period.
- The amount of funds applied to the refinance budget line item will be made as an amortized loan to the applicant. The applicant should propose at least a 2% interest rate, a term of not more than 30 years, and an amortization period of not more than 30 years.
- The HOME loan must be fully secured.
- The HOME funds used for construction may be forgiven at the end of the affordability period.
- Applicants for permanent supportive housing rehabilitation/refinance cannot use HOME funds to refinance multifamily loans made or insured by any other federal program, including, but not limited to, FHA, CDBG, or Rural Development.

# Rental Housing Tax Credits / Multifamily Private Activity Tax Exempt Bond Financing (RHTC/Bond/HOME Combined Funding)

In an effort to streamline the multi-family application process, developers applying for Rental Housing Tax Credits (RHTCs) or Multifamily Private Activity Tax-Exempt Bonds (Bonds) may simultaneously request funds from the HOME Investment Partnerships Program (HOME). If you are applying for RHTCs or Bonds for any development and want to also access HOME funds, you must indicate the HOME funding request on the "Multi-Family Housing Finance Application" and submit additional documentation as instructed in the "Multi-Family Housing Finance Application – HOME Supplement." Outside of this process, applications for HOME financing for a RHTC or Bond development will only be considered in accordance with IHFA's Housing from Shelters to Homeownership application criteria.

#### 1. Eligible Applicants

The award of HOME funds will be made as follows:

- 1. <u>State-Certified Community Housing Development Organization (CHDO)</u> HOME funds will be provided in the form of a forgivable loan to state-certified CHDOs that are the 100% general partner or managing member of the LP or LLC. The loan will be forgiven at the end of the affordability period if in compliance with all requirements.
- 2. Not-for-Profit Organizations or Public Housing Authorities HOME funds will be provided in the form of a forgivable loan to not-for-profit organizations that are the 100% general partner or managing member of the LP or LLC. The loan will be forgiven at the end of the affordability period if in compliance with all requirements.
- 3. <u>Limited Partnerships (LP) or Limited Liability Companies (LLC)</u> For developments where a state-certified CHDO or not-for-profit organization is not the 100% general partner or member, HOME funds will be loaned to the ownership entity. If the LP or LLC has not yet been formed, the applicant for HOME funds should be the general partner or member. If a HOME award is made to the development, the loan documents must be executed by the LP or LLC.

#### Form of Assistance

1. If the CHDO, not-for-profit, or PHA structures the HOME funds into the development as an amortized or deferred loan, they maybe permitted to retain the repayments of principal and

interest for use in other affordable housing developments at IHFA's discretion. The CHDO, not-for-profit, or PHA may use the repayment stream (both principal and interest): (1) to buy the property at the end of the partnership; (2) to pay the exit fees for other partners in the development at the end of the affordability period; (3) to provide services to the tenants of the particular development; (4) to exert influence over the conditions of sale of the property; or (5) for the organization's other affordable housing activities that benefit low-income families.

IHFA will subordinate to the point when the HOME loan plus other financing is at an amount not to exceed 100% of the cost of construction. Subordination beyond one hundred percent (100%) will be entertained on a case-by-case basis.

2. Alternatively, for developments where a CHDO or not-for-profit organization is not the 100%general partner or managing member, IHFA will provide the HOME funds as an amortized or deferred loan to the LP or LLC. If such an entity has not yet been formed, the applicant for the HOME funds should be the general partner or managing member, but all award documents must be executed by the LP or LLC. Principal and interest payments on these awards may be either deferred or amortized. The applicant may propose a loan term for up to 17 years (up to 2 years as a construction loan and 15 years as permanent financing). The interest rate is proposed by the applicant. The applicant must demonstrate in their application that the interest rate proposed is necessary in order to make the HOME-assisted units affordable. The HOME loan must be fully secured.

IHFA will subordinate to the point when the HOME loan plus other financing is at an amount not to exceed 100% of the costs of construction. Subordination beyond one hundred percent (100%) will be entertained on a case-by-case basis.

IHFA will subordinate to the point when the HOME loan plus other financing is at an amount not to exceed 100% of the cost of construction. Subordination beyond one hundred percent (100%) will be entertained on a case-by-case basis.

#### **Eligible Activities**

HOME funds are available statewide for the development of permanent supportive or transitional housing. Otherwise, applications for Developments located within the following participating jurisdictions are not eligible for HOME funds.

Anderson	Gary	St. Joseph County Consortium
Bloomington	Hammond	Terre Haute
East Chicago	Indianapolis*	Tippecanoe County Consortium
Evansville	Lake County	
Fort Wayne	Muncie	

<sup>\*</sup> The Cities of Beech Grove, Lawrence, Speedway, Southport, and the part of the Town of Cumberland located within Hancock County are not considered part of the Indianapolis participating jurisdiction. Applicants that serve these areas would be eligible for CHDO Works funding.

HOME funds may be used for acquisition, construction or rehabilitation hard costs, and testing for lead hazards for HOME-assisted units. HOME funds may not be used toward the refinancing of existing permanent debt.

HOME funds may assist rental, permanent supportive, or transitional housing. These units can be in the form of traditional apartments or single-room-occupancy units (SROs). SRO housing consists of single room dwelling units that are the primary residence of the occupant(s). If the Development consists of conversion of non-residential space or reconstruction, SRO units <u>must</u> contain either kitchen or bathroom facilities (they may contain both). For Developments involving acquisition or rehabilitation of an existing residential structure, neither kitchen nor bathroom facilities are required to be in the unit. However, if individual units do not contain bathroom facilities, the building must contain bathroom facilities that are shared by tenants.

HOME funds are generally not available for units identified as part of an approved RHTC or Bond lease-purchase program, unless the purchase will occur after the termination of the HOME affordability period. In such case, the assisted units will be considered rental for purposes of the HOME award. Prior to the HOME affordability period expiration, IHFA will consider requests to permit tenants to purchase HOME-assisted rental units on a case-by-case basis only.

# Scoring Criteria

There are no scoring criteria for RHTC/Bond/HOME awards. Eligibility for the HOME funds will be determined based on:

- 1. Whether the development demonstrates a need for HOME funds in order to make a greater number of rental units affordable to lower income households.
- 2. Whether the development meets State and Federal requirements of all programs for which it is applying.
- 3. If the development ranking is sufficient for it to be awarded RHTCs pursuant to the RHTC or Bond process.
- 4. The availability of HOME funds.

Funds will be awarded only in amounts appropriate to the scope of the identified need. IHFA reserves the right to determine the exact amount and type of assistance needed for each individual housing activity.

# **Funding Limitations**

The maximum HOME request is \$500,000.

HOME-Assisted Units	<u>AMI</u>	Maximum Funding
100 %	< or = 60 % *	\$300,000
75 %	< or $= 50 %$	\$400,000
50 %	< or = 40 %	\$500,000

IHFA has established a per unit subsidy limitation for HOME-assisted units of \$35,000 for 0-bedroom units, \$40,000 for 1- and 2-bedroom units, and \$50,000 for units with 3 or more bedrooms.

# **HOME Administrative Subrecipients**

IHFA staff generally oversees the implementation of the HOME program; however, IHFA reserves the right to initiate subrecipient agreements with not-for-profit organizations or public agencies for specific HOME administrative activities. These subrecipient agreements will be made available throughout the year upon approval of the activity by the IHFA Board of Directors.

# **Eligible Applicants**

- Not-for-profit corporations, as designated under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code
- Public agencies

#### **Eligible Activities**

- Only those activities allowed under the HOME regulations (24 CFR 92.207) are eligible for funding with IHFA's HOME administration funds.
- HOME subrecipient activities must comply with the requirements of 24 CFR 84 (a.k.a. OMB Circular A-110) "Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Not-for-profit Organizations."
- In general, IHFA looks for proposals that have a statewide impact and serve to further the Authority's efforts in one or more of the following areas:
  - General management, oversight, and coordination of the HOME program
  - Providing public information to residents and citizen organizations participating in the planning, implementation, or assessment of housing activities being assisted with HOME funds
  - Affirmatively furthering fair housing
  - Compiling data in preparation for the State Consolidated Plan
  - Complying with other Federal requirements such as affirmative marketing; minority outreach; environmental review; displacement, relocation, and acquisition; labor standards; lead-based paint; and conflicts of interest.

#### **Scoring Criteria**

There are no scoring criteria for HOME Administrative Subrecipient awards. Eligibility for these funds will be determined based on:

- 1. Whether proposed activities have a statewide impact.
- 2. Whether the proposal demonstrates a need for HOME funds.
- 3. Whether proposed activities meet the HOME regulatory requirements of an administrative subrecipient.
- 4. Whether proposed activities serve to further IHFA staff efforts.
- 5. The availability of HOME administrative funds.

#### **Funding Limitations**

As allowed by HOME regulations (24 CFR 92.207), IHFA may expend up to 10% of the annual allocation for payment of reasonable administrative and planning costs of the HOME program.

# **INTR City**

IHFA is developing a pilot program called Improving Neighborhoods Through Revitalization (INTR City). The program will provide funding for strategic planning and the redevelopment of vacant lots in blighted neighborhoods into single-family homes.

# **Homeownership Counseling**

IHFA is developing a program for homeownership counseling. The program will provide funding for homeownership education and counseling on a statewide basis.

#### **HOME OOR**

IHFA is developing a program for rehabilitation of owner-occupied homes using HOME funds. The program will provide funding for owner-occupied rehabilitation on a statewide basis.

#### First Home/Plus

Difficulty in coming up with cash for a down payment is often the biggest obstacle for first-time homebuyers. Subsequently, IHFA has developed the First Home/Plus program, through which IHFA links HOME/ADDI funds in the form of down payment assistance with its Mortgage Revenue Bond (MRB) program.

# **Eligible Applicants**

The borrower must meet the following eligibility requirements:

- 1. Must be a first-time homebuyer (i.e. has not, at any time during the three years preceding the date of loan closing had an ownership interest in his/her principal residence), unless the buyer is purchasing a home located in a targeted area as published in IHFA's First Home/Plus Program Guide.
- 2. Must be income-eligible as published in IHFA's First Home/Plus Program Guide.
- 3. If a borrower is separated from their spouse, a legal separation agreement or a petition for the dissolution is required prior to preliminary approval.
- 4. Must reasonably expect to reside in the property as his/her principal residence within 60 days after the loan closing date on existing homes and within 60 days of completion for a newly constructed home.
- 5. Must currently be or intend to become a resident of the State of Indiana.
- 6. Must successfully complete a homeownership training program.

#### **Eligible Activities**

Income-eligible homebuyers can receive up to 10% of the home purchase price in down payment assistance in conjunction with a below-market interest rate mortgage through IHFA. The First Home/Plus program is operated through a partnership between IHFA and participating local lending institutions throughout Indiana. HOME/ADDI down payment assistance is provided as a 0%, forgivable second mortgage. If the buyer resides in the property for five years, the second mortgage is forgiven. For the purchase of an existing home, for three months prior to the sale, the home must have been vacant, occupied by the seller, or rented to the household that is buying the home.

Funds are allocated on a first-come, first-served basis. Interested borrowers must contact a participating lender to apply for the program. Borrowers are encouraged to contact a participating lender for loan "pre-approval" before they begin looking for a house.

Borrowers must successfully complete a homeownership training program. The participating lender may choose the type of training the borrower receives; however, IHFA strongly recommends a face to face or classroom course given by a HUD approved counselor. A certificate of completion or achievement is required in the loan application package.

#### **Funding Limitations**

Depending upon their income, borrowers receive HOME/ADDI funded down payment assistance of 5% or 10% (capped at \$3,500 and \$7,000, respectively) of the sales price or the appraised value of the property, whichever is less. Acquisition cost of the home may not exceed the lesser of the maximum as set forth in IHFA's First Home/Plus Program Guide or FHA 203(b) Mortgage Limits as published periodically by HUD.

# First Home/One Down

IHFA and Fannie Mae jointly offers the First Home/One Down program, which allows qualified first-time home buyers to obtain mortgages with an investment as little as 1%. The loans are offered through IHFA and its statewide network of participating lenders. In many ways, the First Home/One Down program is operated in the same manner as IHFA's First Home/Plus program, as described in the previous section. Differences between the two programs are highlighted below.

IHFA/Fannie Mae's First Home/One Down program offers homebuyers affordable conventional financing. The qualified homebuyer obtains a first mortgage at a below market interest rate. HOME/ADDI down payment assistance of 5% or 10% (capped at \$3,500 and \$7,000, respectively), depending upon the buyer's income, is provided in the form of a 0% forgivable second mortgage.

Borrowers must have at least 1% of their own funds invested in the transaction. Sellers may pay up to 3% of the sales price in closing cost. The normal Fannie Mae requirement of having cash reserves left in the bank after closing equal to two months mortgage payments is waived. Preand post-purchasing counseling are requirements of the program.

# **First Home INTR City**

A new version of IHFA's mortgage program would be encouraged for all eligible homebuyers purchasing homes financed with INTR City funds. The program will also be available for all other eligible homebuyers purchasing within certain areas. HOME/ADDI down payment assistance would also be available to eligible borrowers under the terms of our current programs.

#### First Home 100

The First Home 100 program combines IHFA's First Home program and Rural Development's Direct Loans to stretch resources and reach a broader number of eligible borrowers. It is available in areas that are served by Rural Development. Hoosiers can apply for the program through Rural Development offices.

IHFA and Rural Development have combined their income and purchase price limits to make it simpler to determine eligibility for the program. Under First Home 100, an eligible borrower would receive two mortgages, one from IHFA's First Home program, with a below market interest rate, and one from Rural Development, with an interest rate based on the applicant's ability to pay. In some cases, a borrower may also qualify for IHFA's HOME/ADDI funded down payment assistance, which would result in a forgivable third mortgage to further reduce the borrower's monthly payments.

While IHFA's First Home programs are primarily restricted to first-time homebuyers, this requirement is waived in 30 rural Indiana counties that are designated as targeted areas by the U.S. Department of Housing and Urban Development. These areas largely coincide with the areas served by Rural Development.

#### **HomeChoice**

The HomeChoice program was created by Fannie Mae to provide affordable housing for low- to moderate-income individuals who are disabled or who have disabled dependents living with them. Fannie Mae has approved Indiana's HomeChoice Program, and a public announcement was made on January 24, 2001. The availability of this program in Indiana is the result of a team effort among IHFA, Fannie Mae, the Back Home in Indiana Alliance, and Irwin Mortgage. The program is tailored to meet the unique needs of people with disabilities by offering lower down payment requirements; flexible qualifying and underwriting standards; and use of non-traditional credit histories.

To be eligible for the HomeChoice, program applicants must meet certain requirements. Borrowers must be classified as disabled as established in the Americans with Disabilities Act of 1990 or be defined as handicapped by the Fair Housing Amendments of Act of 1988. Also, borrowers must be low- or moderate-income as defined by the U.S. Department of Housing and Urban Development (HUD), which varies by county. In addition, the borrower must occupy the home within 60 days of the loan's closing or completion.

Initially, HomeChoice was offered in three counties: Bartholomew, Knox, and Marion, and is now being offered in all counties of the state. IHFA has earmarked \$1 million in revenues from its non-taxable mortgage revenue bonds (MRBs) to finance the first mortgages. Additionally, borrowers receive HOME/ADDI funded down payment assistance of 10% of the sales price or the appraised value of the property, whichever is less. Bank One currently originates the mortgages, and the Back Home in Indiana Alliance markets, screens applicants, and coordinates counseling for the program

# **First Home Community**

This loan is offered through IHFA and its statewide network of participating lenders. In many ways, the First Home Community program is operated in the same manner as IHFA's First Home/Plus program. The difference is that First Home Community is a partnership program with Fannie Mae that enables Teachers, Fire Fighters, Law Enforcement, State and Municipal workers to purchase a home with as little as one percent of the purchase price, or \$500, which ever is less, of their own funds. The program allows for higher loan-to-value options, lower out of pocket costs and more flexible underwriting criteria.

HOME/ADDI down payment assistance of 5% or 10% (capped at \$3,500 and \$7,000, respectively), depending upon the buyer's income, is provided in the form of a 0% forgivable second mortgage.

# **First Home Opportunity**

This loan is offered through IHFA and its statewide network of participating lenders. In many ways, the First Home Opportunity program is operated in the same manner as IHFA's First Home/Plus program. The difference is that First Home Opportunity is a partnership program with Fannie Mae that enables qualified homebuyers the ability to purchase a home with as little as one percent of the purchase price, or \$500, which ever is less, of their own funds. The program allows for higher loan-to-value options, lower out of pocket costs and more flexible underwriting criteria.

HOME/ADDI down payment assistance of 5% or 10% (capped at \$3,500 and \$7,000, respectively), depending upon the buyer's income, is provided in the form of a 0% forgivable second mortgage.

# **HOME Investment Partnerships Program – Funds Transfer**

IHFA, at its discretion, may authorize HUD to transfer a portion of the State's allocation of HOME Investment Partnerships Program funds to qualifying communities to meet a \$500,000 threshold funding level.

# **HOME Investment Partnerships Program - Resale/Recapture Guidelines**

In accordance with the HOME Investment Partnerships Program, 24 CFR Part 92.254(a)(4), the State of Indiana is establishing policy guidelines to ensure affordability for low-income homebuyers. Because of the diversity of program designs throughout the State, recapture provisions will be appropriate for some housing activity designs and resale provisions will be appropriate for others.

# **Affordability Periods**

HOME-assisted housing must meet the affordability requirements listed below, beginning after project completion. Project completion, as defined by HUD, means that:

- all necessary title transfer requirements and construction work have been performed;
- the project complies with the HOME requirements, including the property meets the stricter of the Indiana State Building Code and/or local rehabilitation standards;
- the final drawdown has been disbursed for the project; and
- the project completion information has been entered into HUD's IDIS system.

Homeownership Assistance HOME amount per unit	Minimum period of affordability
under \$15,000	5 years
\$15,000 - \$40,000	10 years
over \$40,000	15 years

# **Termination of Affordability Period**

The affordability restrictions may terminate upon occurrence of any of the following termination events: foreclosure, transfer in lieu of foreclosure, or assignment of an FHA insured mortgage to HUD. The housing provider of HOME funds may use purchase options, rights of first refusal, or other preemptive rights to purchase the housing before foreclosure to preserve affordability. The affordability restrictions shall be revived according to the original terms if, during the original affordability period, the owner of record before the termination event, or any entity that includes the former owner or those with whom the former owner has or had family or business ties, obtains an ownership interest in the development.

#### **Resale Guidelines**

Where the program design calls for no recapture (home received only a development subsidy), the guidelines for resale will be adopted in lieu of recapture guidelines. Resale restrictions will require the seller to sell the property only to a low-income family that will use the property as their principal residence. The term "low-income family" shall mean a family whose gross annual

income does not exceed 80% of the median family income for the geographic area as published annually by HUD.

The purchasing family should pay no more than 29% of its gross family income towards the principal, interest, taxes, and insurance for the property on a monthly basis. Individual recipients may, however, establish guidelines that better reflect their mission and clientele. Such guidelines should be described in the application, program guidelines, or award agreement. The housing shall remain affordable to a reasonable range of low-income buyers for the period described in the HOME regulations, as from time to time may be amended.

The homeowner selling the property will be allowed to receive a fair return on investment, which will include the homeowner's investment and any capital improvements made to the property.

# **Recapture Guidelines**

The maximum amount of HOME funds subject to recapture is based on the amount of HOME assistance that enabled the homebuyer to buy or lease the dwelling unit. This includes any HOME assistance that reduced the purchase price from the fair market value to an affordable price, but excludes the amount between the cost of producing the unit and the market value (i.e., development subsidy).

The amount to be recaptured is based on a prorata shared net sale proceeds calculation. If there are no proceeds, there is no recapture. Any net sale proceeds that exist would be shared between the recipient and the beneficiary based on the number of years of the affordability period that have been fulfilled, not to exceed the original HOME investment.

The net proceeds are the total sales price minus all loan and/or lien repayments. The net proceeds will be split between the IHFA recipient and borrower as outlined according to the forgiveness schedule below for the affordability period associated with the property. The IHFA recipient must then repay IHFA the recaptured funds.

5 Year Affordability Period

Number of Years Fulfilled	% of HOME Funds Recaptured
Year 1	80%
Year 2	60%
Year 3	40%
Year 4	20%
Year 5	0%

10 Year Affordability Period

Number of Years Fulfilled	% of HOME Funds Recaptured
Year 1	90%
Year 2	80%
Year 3	70%
Year 4	60%
Year 5	50%
Year 6	40%
Year 7	30%
Year 8	20%
Year 9	10%

Year 10	0%

# 15 Year Affordability Period

Number of Years Fulfilled	% of HOME Funds Recaptured
Year 1	93%
Year 2	87%
Year 3	80%
Year 4	73%
Year 5	67%
Year 6	60%
Year 7	53%
Year 8	47%
Year 9	40%
Year 10	33%
Year 11	27%
Year 12	20%
Year 13	13%
Year 14	7%
Year 15	0%

# **Property Disposition**

In situations in which units assisted by IHFA are not brought to completion or fail to meet their affordability commitment, IHFA may acquire these properties or assist other organizations in acquiring. Properties IHFA purchases would then be available for sale through a disposition program outside of the typical funding rounds on an as needed basis.

The disposition goals include:

- Selling assisted units quickly.
- Ensuring that all applicable HOME or CDBG requirements/regulations are met.

IHFA would negotiate the final terms of any and all contracts or agreements with buyers selected to successfully meet the needs of IHFA.

In situations in which an activity has been completed, IHFA may choose to seek a waiver from HUD for the use of additional HOME funds in the development.

# Indiana Housing Finance Authority

# 2004 Proposed CDBG, HOME, and ADDI Allocations

	Proposed PY 02		PY 02 7/1/02 - 6/30/03		Proposed PY 03		PY 03 7/1/03 - 2/29/04		Proposed PY 04	
Community Development Block Grant (CDBG)										
Foundations	\$500,000	10%	\$495,000	7%	\$500,000	10%	\$490,000	12%	\$500,000	10%
-Housing Needs Assessments	\$350,000	7%	\$395,000	6%	\$400,000	8%	\$400,000	9%	\$400,000	8%
-Site-Specific Feasibility Studies	\$150,000	3%	\$100,000	1%	\$100,000	2%	\$90,000	2%	\$100,000	2%
Housing from Shelters to Homeownership -Emergency Shelters <sup>1</sup>	\$4,500,000 \$500,000	<b>90%</b> 10%	<b>\$6,273,627</b> \$109,102	93% 2%	<b>\$4,500,000</b> \$500,000	<b>90%</b> 10%	\$3,755,000 \$500,000	<b>88%</b> 12%	<b>\$4,500,000</b> \$500,000	<b>90%</b> 10%
	*				-				-	
-Youth Shelters <sup>1</sup>	\$500,000	10%	\$0	0% 0%	\$400,000	8%	\$200,000	5%	\$300,000	6%
-Transitional Housing 1	\$500,000	10%	\$0		\$400,000	8%	\$0 \$0	0%	\$400,000	8%
-Migrant/Seasonal Farmworker Housing -Permanent Supportive Housing <sup>1</sup>	\$500,000 NA	10%	\$1,287,900 NA	19%	\$500,000 NA	10%	NA	0%	\$300,000 \$300,000	6% 6%
-Rental Housing	\$600,000	12%	\$496,625	7%	\$500,000	10%	\$355,000	8%	\$300,000	6%
-Owner-Occupied Units		38%	\$4,380,000	65%	\$2,200,000	44%	\$2,700,000	64%	\$2,200,000	44%
-Voluntary Acquisition/Demolition	\$1,900,000 NA	38%	\$4,380,000 NA	03%	\$2,200,000 NA	44%	\$2,700,000 NA	04%	\$2,200,000	44%
		4000/		1000/		1000/		1000/		
Total <sup>2</sup>	\$5,000,000	100%	\$6,768,627	100%	\$5,000,000	100%	\$4,245,000	100%	\$5,000,000	100%
HOME Investment Partnerships Program (HOME)										
Foundations	\$500,000	3%	\$292,800	2%	\$500,000	3%	\$202,700	2%	\$400,000	2%
-CHDO Predevelopment Loans	\$300,000	2%	\$211,900	1%	\$350,000	2%	\$141,700	1%	\$300,000	2%
-CHDO Seed Money Loans	\$200,000	1%	\$80,900	0%	\$150,000	1%	\$61,000	0%	\$100,000	1%
Housing from Shelters to Homeownership	\$9,642,300	59%	\$10,906,028	58%	\$7,836,870	47%	\$9,186,985	72%	\$6,400,000	38%
-Transitional Housing 1	\$1,000,000	6%	\$2,428,500	13%	\$1,400,000	8%	\$498,000	4%	\$500,000	3%
-Permanent Supportive Housing 1	NA		NA		NA		NA		\$500,000	3%
-Rental Housing	\$2,500,000	15%	\$2,684,705	14%	\$1,900,000	11%	\$5,319,650	42%	\$3,700,000	22%
-Homebuyer Units	\$2,142,300	13%	\$3,673,677	20%	\$2,000,000	12%	\$1,296,922	10%	\$1,700,000	10%
-Owner-Occupied Units	\$2,000,000	12%	\$782,000	4%	\$800,000	5%	\$0	0%	NA	
-Homeownership Counseling/Downpayment Assistance	\$2,000,000	12%	\$1,337,146	7%	\$1,736,870	10%	\$2,072,413	16%	NA	
HOME/RHTC/Bond	\$4,000,000	24%	\$962,112	5%	\$2,400,000	14%	\$900,000	7%	\$2,400,000	14%
-Transitional Housing 1	\$1,000,000	6%	\$0	0%	\$400,000	2%	\$0	0%	\$500,000	3%
-Permanent Supportive Housing 1	NA		NA		\$400,000	2%	\$0	0%	\$500,000	3%
-Rental Housing	\$3,000,000	18%	\$962,112	5%	\$1,600,000	10%	\$900,000	7%	\$1,400,000	8%
CHDO Works - CHDO Operating Grants	\$660,000	4%	\$719,360	4%	\$669,000	4%	\$180,000	1%	\$670,765	4%
First Home Downpayment Assistance Programs <sup>3</sup>	\$0	0%	\$4,627,913	25%	\$3,500,000	21%	\$1,082,972	8%	\$1,500,000	9%
INTR City Program	NA		NA		NA		NA		\$500,000	3%
Homeownership Counseling	NA		NA		NA		NA		\$1,000,000	6%
HOME Owner-Occupied Rehabilitation Program	NA		NA		NA		NA		\$2,221,488	13%
Administration <sup>4</sup>	\$1,644,700	10%	\$1,136,447	6%	\$1,656,208	10%	\$1,229,097	10%	\$1,676,917	10%
-IHFA Administrative Expenses and Professional Contracts			\$792,822	4%			\$1,033,547	8%		
-Administrative Subrecipient Agreements -Homeownership Counseling			\$343,625 NA	2%			\$195,550 NA	2%		
Total <sup>2</sup>	\$16,447,000	100%	\$18,644,660	100%	\$16,562,078	100%	\$12,781,754	100%	\$16,769,170	100%
American Dream Down Payment Assistance (ADDI)			¥=:		00.40.41.7	1000/		1	00.40.555	105-
First Home Downpayment Assistance Programs <sup>3</sup>	NA		NA		\$943,118	100%	\$0	0%	\$948,380	100%

Awards During

**Awards During** 

#### Notes:

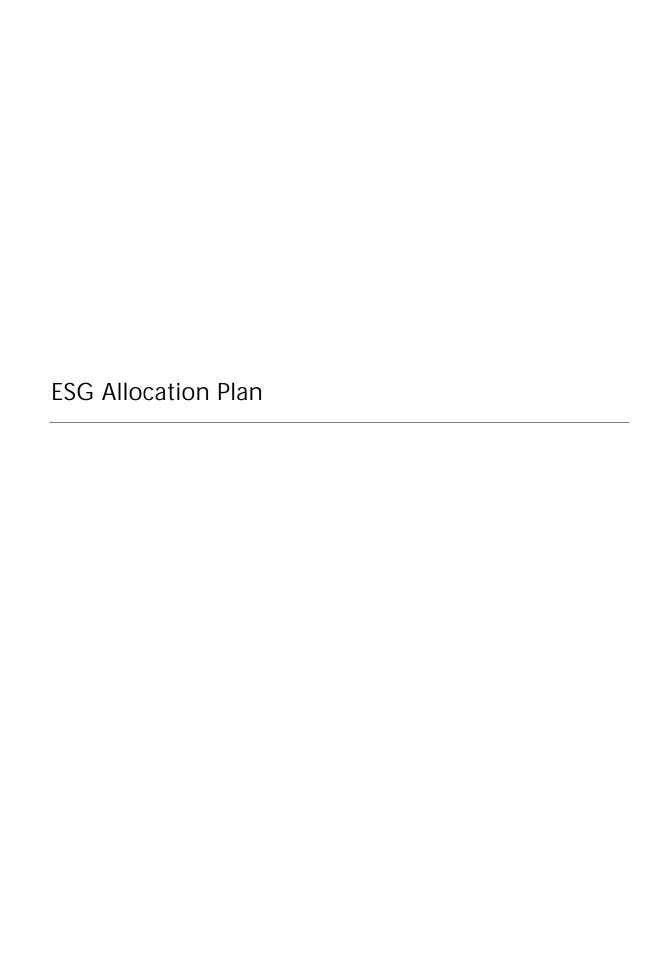
2004 Proposed Allocation Plan

<sup>&</sup>lt;sup>1</sup> Emergency shelters, youth shelters, transitional, and permanent supportive housing funding goals - \$2.5 million for calendar years 1994-1999, \$3 million for calendar year 2000-2001, \$3.5 million beginning in calendar year 2002.

<sup>&</sup>lt;sup>2</sup> Total amount awarded may differ from amount available due to deobligations and reallocations of prior year funding.

<sup>&</sup>lt;sup>3</sup> Award column includes houses funded with HOME Program Income. Data reflects closing date.

<sup>&</sup>lt;sup>4</sup> Proposed amount includes total admin for IHFA, grantees, subrecipients, & other professional administrative contracts. Award column excludes grantee admin funds.



# **EMERGENCY SHELTER GRANT 2004-2005**

NAME		Allocation
ADAMS WELLS CO. CRISIS SHELTER	\$	10,224.00
AIDS MINISTRIES	\$	16,795
ALBION FELLOW BACON	\$	10,224
ALTERNATIVES	\$	35,224
ANCHOR HOUSE, INC.	\$	15,224
ARCHDIOCESE OF INDPLS, ST. ELIZABETH	\$	29,249
CATHOLIC SOCIAL SERVICE OF CENTRAL IN	\$	29,613
CENTER FOR WOMEN AND FAMILY	\$	25,224
*CHILDREN'S BUREAU	\$	10,224
CHRISTIAN COMM ACTION OF PORTER CO	\$	15,224
CHRISTIAN LOVE HELP CENTER	\$	13,359
COBURN PLACE	\$	10,424
COLUMBUS REG SHEL 4 WOMEN (TURNING P	\$	10,224
COMMUNITY & FAMILY SERVICES, INC.	\$	14,224
COMMUNITY ACTION PORTER-EVAN & VAND CO	\$	34,322
COMMUNITY ANTI-VIOLENCE ALLIANCE	\$	10,224
COMMUNITY SERVICE CENTER - MORGAN CO	\$	40,224
COUNCIL ON DOMESTIC ABUSE	\$	10,224
CRISIS CENTER/A YOUTH SVICE BUREAU	\$	10,224
CRISIS CONNECTION	\$	14,724
DAYSPRINGS CENTER	\$	26,199
DISMAS INC.	\$	17,148
ECHO HOUSE CORP	\$	28,624
*ELIJAH HAVEN CRISIS	\$	10,224
EVANSVILLE GOODWILL INDUSTRIES	\$	24,415
FAM. CRISIS SHELTER OF MONTGOM CO	\$	10,724
FAMILY SERVICE SOCIETY (HANDS OF HOPE	\$	25,020
FAMILY SERVICES OF DELAWARE COUNTY	\$	22,224
FAMILY SERVICES OF ELKHART COUNTY	\$	20,055
*FAMILY SERVICES ASSOC. OF HOWARD CO.	\$	10,224
FORT WAYNE WOMEN'S BUREAU	\$	16,724
GARY COMM ON THE STAT OF WOM/ARK	\$	28,224
GENESIS OUTREACH, INC	\$ \$	15,124
GENESIS PLACE, INC.		25,608
GENNESARET FREE CLINIC	\$	14,324
GOSHEN INTERFAITH HOSP NETWORK	\$	26,457
HANCOCK HOPE HOUSE	\$ \$ \$	29,153
HAVEN HOUSE SERVICES	<u>\$</u>	39,724
HAVEN HOUSE, INC.	<u>\$</u>	10,224
HEART HOUSE, INC.	<u>⇒</u>	14,224
HOPE HOUSE INC.	\$	14,224
HORIZON HOUSE, INC	\$	39,859

HOUSE OF BREAD AND PEACE  *HOUSE OF HOPE - MADISON COUNTY  HOUSING AUTHORITY OF GREENCASTLE  HOUSING OPPORTUNITY	\$	
HOUSING AUTHORITY OF GREENCASTLE	Ψ	12,224
	\$	18,224
HOUSING OPPORTUNITY	\$	19,183
	\$	12,224
HUMAN SERVICES	\$	33,359
INDIANAPOLIS INTERFAITH HOSPITALITY	\$	12,224
*INTERFAITH HOSPITALITY OF FT. WAYNE	\$	16,224
INTERFAITH MISSION, INC.	\$	15,024
KNOX.CTY.DV.	\$ \$	10,224
KOS.CTY.SHEL.ABUSE		29,977
LAFAYETTE TRANSITION HOUSING CENTER	\$	40,224
LAFAYETTE URBAN MINISTRIES	\$	25,359
LIFE CHOICE, INC.	\$	19,356
LIFE TREATMENT	\$	27,374
MARGARET ALEXANDER C.H.I.L.D. CENTER	\$ \$	13,359
MARION HOME FOUNDATION	\$	19,224
*MARTHA'S HOUSE	\$	12,224
MIDDLE WAY HOUSE	\$	15,908
NOBLE HOUSE	\$	17,024
NORTH CENTRAL IND. RURAL	\$	10,224
OPEN DOOR COMMUNITY SERVICES,INC	\$ \$	40,224
*OZANAM FAMILY SHELTER	\$	14,359
PRISONER & COMMUNITY TOGETHER	\$	10,224
*PROJECT HELP OF STEUBEN CO.	\$	12,224
PROJ STEPPING STONE OF MUNCIE	\$	11,224
PROJ STEPPING STONE OF MUNCIE PROVIDENCE SELF SUFF. MINISTRIES, INC	\$	11,224 11,224
PROJ STEPPING STONE OF MUNCIE PROVIDENCE SELF SUFF. MINISTRIES, INC QUEST FOR EXCELLENCE	\$ \$	11,224 11,224 17,157
PROJ STEPPING STONE OF MUNCIE PROVIDENCE SELF SUFF. MINISTRIES, INC QUEST FOR EXCELLENCE RICHMOND/WAYNE CO. HALFWAY HOUSE	\$ \$ \$	11,224 11,224 17,157 13,224
PROJ STEPPING STONE OF MUNCIE PROVIDENCE SELF SUFF. MINISTRIES, INC QUEST FOR EXCELLENCE RICHMOND/WAYNE CO. HALFWAY HOUSE ROOSEVELT MISSION, INC.	\$ \$ \$	11,224 11,224 17,157 13,224 25,657
PROJ STEPPING STONE OF MUNCIE PROVIDENCE SELF SUFF. MINISTRIES, INC QUEST FOR EXCELLENCE RICHMOND/WAYNE CO. HALFWAY HOUSE ROOSEVELT MISSION, INC. SAFE PASSAGE	\$ \$ \$	11,224 11,224 17,157 13,224 25,657 10,224
PROJ STEPPING STONE OF MUNCIE PROVIDENCE SELF SUFF. MINISTRIES, INC QUEST FOR EXCELLENCE RICHMOND/WAYNE CO. HALFWAY HOUSE ROOSEVELT MISSION, INC. SAFE PASSAGE SALVATION ARMY - RUTH LILLY SOCIAL SE	\$ \$ \$ \$	11,224 11,224 17,157 13,224 25,657 10,224 24,320
PROJ STEPPING STONE OF MUNCIE PROVIDENCE SELF SUFF. MINISTRIES, INC QUEST FOR EXCELLENCE RICHMOND/WAYNE CO. HALFWAY HOUSE ROOSEVELT MISSION, INC. SAFE PASSAGE SALVATION ARMY - RUTH LILLY SOCIAL SE * SHELTERING WINGS	\$ \$ \$ \$ \$	11,224 11,224 17,157 13,224 25,657 10,224 24,320 10,224
PROJ STEPPING STONE OF MUNCIE PROVIDENCE SELF SUFF. MINISTRIES, INC QUEST FOR EXCELLENCE RICHMOND/WAYNE CO. HALFWAY HOUSE ROOSEVELT MISSION, INC. SAFE PASSAGE SALVATION ARMY - RUTH LILLY SOCIAL SE * SHELTERING WINGS ST. JUDE, INC.	\$ \$ \$ \$ \$	11,224 11,224 17,157 13,224 25,657 10,224 24,320 10,224 10,224
PROJ STEPPING STONE OF MUNCIE PROVIDENCE SELF SUFF. MINISTRIES, INC QUEST FOR EXCELLENCE RICHMOND/WAYNE CO. HALFWAY HOUSE ROOSEVELT MISSION, INC. SAFE PASSAGE SALVATION ARMY - RUTH LILLY SOCIAL SE * SHELTERING WINGS ST. JUDE, INC. STEPPING STONE 4 VET. INC.	\$ \$ \$ \$ \$ \$ \$ \$ \$	11,224 11,224 17,157 13,224 25,657 10,224 24,320 10,224 10,224 14,924
PROJ STEPPING STONE OF MUNCIE PROVIDENCE SELF SUFF. MINISTRIES, INC  QUEST FOR EXCELLENCE RICHMOND/WAYNE CO. HALFWAY HOUSE ROOSEVELT MISSION, INC.  SAFE PASSAGE SALVATION ARMY - RUTH LILLY SOCIAL SE * SHELTERING WINGS ST. JUDE, INC. STEPPING STONE 4 VET. INC. STEPPING STONE SHELTER 4 WOMEN	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	11,224 11,224 17,157 13,224 25,657 10,224 24,320 10,224 10,224 14,924 10,424
PROJ STEPPING STONE OF MUNCIE PROVIDENCE SELF SUFF. MINISTRIES, INC  QUEST FOR EXCELLENCE RICHMOND/WAYNE CO. HALFWAY HOUSE ROOSEVELT MISSION, INC.  SAFE PASSAGE SALVATION ARMY - RUTH LILLY SOCIAL SE * SHELTERING WINGS ST. JUDE, INC. STEPPING STONE 4 VET. INC. STEPPING STONE SHELTER 4 WOMEN THE CARING PLACE	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	11,224 11,224 17,157 13,224 25,657 10,224 24,320 10,224 10,224 14,924 10,424 19,724
PROJ STEPPING STONE OF MUNCIE PROVIDENCE SELF SUFF. MINISTRIES, INC QUEST FOR EXCELLENCE RICHMOND/WAYNE CO. HALFWAY HOUSE ROOSEVELT MISSION, INC. SAFE PASSAGE SALVATION ARMY - RUTH LILLY SOCIAL SE * SHELTERING WINGS ST. JUDE, INC. STEPPING STONE 4 VET. INC. STEPPING STONE SHELTER 4 WOMEN THE CARING PLACE THE CENTER FOR THE HOMELESS	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	11,224 11,224 17,157 13,224 25,657 10,224 24,320 10,224 10,224 14,924 10,424 19,724 37,633
PROJ STEPPING STONE OF MUNCIE PROVIDENCE SELF SUFF. MINISTRIES, INC QUEST FOR EXCELLENCE RICHMOND/WAYNE CO. HALFWAY HOUSE ROOSEVELT MISSION, INC. SAFE PASSAGE SALVATION ARMY - RUTH LILLY SOCIAL SE * SHELTERING WINGS ST. JUDE, INC. STEPPING STONE 4 VET. INC. STEPPING STONE SHELTER 4 WOMEN THE CARING PLACE THE CENTER FOR THE HOMELESS THE JULIAN CENTER	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	11,224 11,224 17,157 13,224 25,657 10,224 24,320 10,224 10,224 14,924 10,424 19,724 37,633 30,224
PROJ STEPPING STONE OF MUNCIE PROVIDENCE SELF SUFF. MINISTRIES, INC  QUEST FOR EXCELLENCE RICHMOND/WAYNE CO. HALFWAY HOUSE ROOSEVELT MISSION, INC.  SAFE PASSAGE SALVATION ARMY - RUTH LILLY SOCIAL SE * SHELTERING WINGS ST. JUDE, INC. STEPPING STONE 4 VET. INC. STEPPING STONE SHELTER 4 WOMEN THE CARING PLACE THE CENTER FOR THE HOMELESS THE JULIAN CENTER THE MENTAL HEALTH ASSOCIATION	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	11,224 11,224 17,157 13,224 25,657 10,224 24,320 10,224 10,224 14,924 10,424 19,724 37,633 30,224
PROJ STEPPING STONE OF MUNCIE PROVIDENCE SELF SUFF. MINISTRIES, INC  QUEST FOR EXCELLENCE RICHMOND/WAYNE CO. HALFWAY HOUSE ROOSEVELT MISSION, INC.  SAFE PASSAGE SALVATION ARMY - RUTH LILLY SOCIAL SE * SHELTERING WINGS ST. JUDE, INC. STEPPING STONE 4 VET. INC. STEPPING STONE SHELTER 4 WOMEN THE CARING PLACE THE CENTER FOR THE HOMELESS THE JULIAN CENTER THE MENTAL HEALTH ASSOCIATION THE SALVATION ARMY EVANSVILLE	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	11,224 11,224 17,157 13,224 25,657 10,224 24,320 10,224 10,224 10,424 19,724 37,633 30,224 30,219 21,151
PROJ STEPPING STONE OF MUNCIE PROVIDENCE SELF SUFF. MINISTRIES, INC  QUEST FOR EXCELLENCE RICHMOND/WAYNE CO. HALFWAY HOUSE ROOSEVELT MISSION, INC.  SAFE PASSAGE SALVATION ARMY - RUTH LILLY SOCIAL SE * SHELTERING WINGS ST. JUDE, INC. STEPPING STONE 4 VET. INC. STEPPING STONE SHELTER 4 WOMEN THE CARING PLACE THE CENTER FOR THE HOMELESS THE JULIAN CENTER THE MENTAL HEALTH ASSOCIATION THE SALVATION ARMY EVANSVILLE THE SALVATION ARMY HARBOR LIGHT	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	11,224 11,224 17,157 13,224 25,657 10,224 24,320 10,224 10,224 10,424 19,724 37,633 30,219 21,151 29,401
PROJ STEPPING STONE OF MUNCIE PROVIDENCE SELF SUFF. MINISTRIES, INC QUEST FOR EXCELLENCE RICHMOND/WAYNE CO. HALFWAY HOUSE ROOSEVELT MISSION, INC. SAFE PASSAGE SALVATION ARMY - RUTH LILLY SOCIAL SE * SHELTERING WINGS ST. JUDE, INC. STEPPING STONE 4 VET. INC. STEPPING STONE SHELTER 4 WOMEN THE CARING PLACE THE CENTER FOR THE HOMELESS THE JULIAN CENTER THE MENTAL HEALTH ASSOCIATION THE SALVATION ARMY EVANSVILLE THE SALVATION ARMY HARBOR LIGHT THE SALVATION ARMY KOKOMO	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	11,224 11,224 17,157 13,224 25,657 10,224 24,320 10,224 10,224 14,924 10,424 19,724 37,633 30,224 30,219 21,151 29,401 14,224
PROJ STEPPING STONE OF MUNCIE PROVIDENCE SELF SUFF. MINISTRIES, INC  QUEST FOR EXCELLENCE RICHMOND/WAYNE CO. HALFWAY HOUSE ROOSEVELT MISSION, INC.  SAFE PASSAGE SALVATION ARMY - RUTH LILLY SOCIAL SE * SHELTERING WINGS ST. JUDE, INC. STEPPING STONE 4 VET. INC. STEPPING STONE SHELTER 4 WOMEN THE CARING PLACE THE CENTER FOR THE HOMELESS THE JULIAN CENTER THE MENTAL HEALTH ASSOCIATION THE SALVATION ARMY EVANSVILLE THE SALVATION ARMY HARBOR LIGHT	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	11,224 11,224 17,157 13,224 25,657 10,224 24,320 10,224 10,224 10,424 19,724 37,633 30,219 21,151 29,401

*TURNING POINT OF STEUBEN CO.	\$ 12,224
TWIN OAKS HOUSING CORPORATION	\$ 15,224
VINCENT HOUSE	\$ 17,724
YOUTH SERVICE BUREAU OF ST. JOSEPH	\$ 11,475
YWCA EVANSVILLE	\$ 10,224
YWCA FT. WAYNE	\$ 10,224
YWCA GREATER LAFAYETTE	\$ 10,224
YWCA RICHMOND	\$ 11,224
YWCA ST. JOE.	\$ 10,423

# **Bold - DV Facilities**

\*NEW FACILITIES

Total from HUD: \$1,847,372

Administration 5% of the total grant	\$92,368.00
from HUD Equals =	\$1,755,004.00
95 Shelters each received \$224.00 extra from IDIS left over from 2002	\$21,280
GRAND TOTAL	\$1,766,284

# Exhibit 1

ESG PERFORMANCE REPORT

Grantee Cumulative Report - For the Month of \_\_\_\_\_Yr\_\_\_

Agency Legal Name:  Contact Name:  Contract No.  Instructions: Grantee shall submit a cumulative report every month and add to the past month's information and statistics. By the 12th month, of each fiscal year period, the goal percentage that was chosen by the facility has to be met.  1) Circle the categories that were chosen for the performance based objectives?  Case management Homeless Prevention/Outreach Operations  2) How many clients have you served this month? How many continuing?  New: FamiliesChildrenIndividuals Continuing:FamiliesChildrenIndividuals  3) State the Objective, Progress and Percentage you have made toward each goal. State how your agency delivered the services to meet your expected outcomes.  • Objective 1:  Progress & Percentage:  Progress & Percentage:				
Instructions: Grantee shall submit a cumulative report every month and add to the past month's information and statistics. By the 12th month, of each fiscal year period, the goal percentage that was chosen by the facility has to be met.  1) Circle the categories that were chosen for the performance based objectives?  Case management Homeless Prevention/Outreach Operations  2) How many clients have you served this month? How many continuing?  New:FamiliesChildrenIndividuals  Continuing:FamiliesChildrenIndividuals  3) State the Objective, Progress and Percentage you have made toward each goal. State how your agency delivered the services to meet your expected outcomes.  • Objective 1:  Progress &Percentage:  • Objective 2:		:		
Instructions: Grantee shall submit a cumulative report every month and add to the past month's information and statistics. By the 12th month, of each fiscal year period, the goal percentage that was chosen by the facility has to be met.  1) Circle the categories that were chosen for the performance based objectives?  Case management Homeless Prevention/Outreach Operations  2) How many clients have you served this month? How many continuing?  New: Families Children Individuals  Continuing: Families Children Individuals  3) State the Objective, Progress and Percentage you have made toward each goal. State how your agency delivered the services to meet your expected outcomes.  • Objective 1:  Progress & Percentage:  • Objective 2:	Contact Name:		e-mail:	
By the 12th month, of each fiscal year period, the goal percentage that was chosen by the facility has to be met.  1) Circle the categories that were chosen for the performance based objectives?  Case management Homeless Prevention/Outreach Operations  2) How many clients have you served this month? How many continuing?  New:FamiliesChildrenIndividuals  Continuing:FamiliesChildrenIndividuals  3) State the Objective, Progress and Percentage you have made toward each goal. State how your agency delivered the services to meet your expected outcomes.  • Objective 1:  Progress & Percentage:  • Objective 2:	Contract No.	Address:		
Case management Homeless Prevention/Outreach Operations  2) How many clients have you served this month? How many continuing?  New:FamiliesChildrenIndividuals Continuing:FamiliesChildrenIndividuals  3) State the Objective, Progress and Percentage you have made toward each goal. State how your agency delivered the services to meet your expected outcomes.  • Objective 1:  Progress & Percentage:  • Objective 2:	By the 12 <sup>th</sup> month, of	each fiscal year period, the g	goal percentage that was chosen by the facility has to be met.	S.
2) How many clients have you served this month? How many continuing?  New:FamiliesChildrenIndividuals Continuing:FamiliesChildrenIndividuals  3) State the Objective, Progress and Percentage you have made toward each goal. State how your agency delivered the services to meet your expected outcomes.  • Objective 1:  Progress & Percentage:  • Objective 2:	1) Circle the categor	ries that were chosen for the	performance based objectives?	
New:FamiliesChildrenIndividuals  Continuing:FamiliesChildrenIndividuals  State the Objective, Progress and Percentage you have made toward each goal. State how your agency delivered the services to meet your expected outcomes.  • Objective 1:  Progress & Percentage:  • Objective 2:	Case managemen	t Home	neless Prevention/Outreach Operations	
Continuing: Families Children Individuals  3) State the Objective, Progress and Percentage you have made toward each goal. State how your agency delivered the services to meet your expected outcomes.  • Objective 1:  Progress & Percentage:  • Objective 2:	2) How many client	s have you served this month	h? How many continuing?	
Objective 1:      Progress & Percentage:      Objective 2:				
Objective 2:	services to meet y	your expected outcomes.	you have made toward each goal. State how your agency delivered the	
Objective 2:				
	Pro	gress &Percentage:		
Progress & Percentage:	• Objective 2:			
Progress & Percentage:		0 D		
	Pro	gress & Percentage:		
	-			

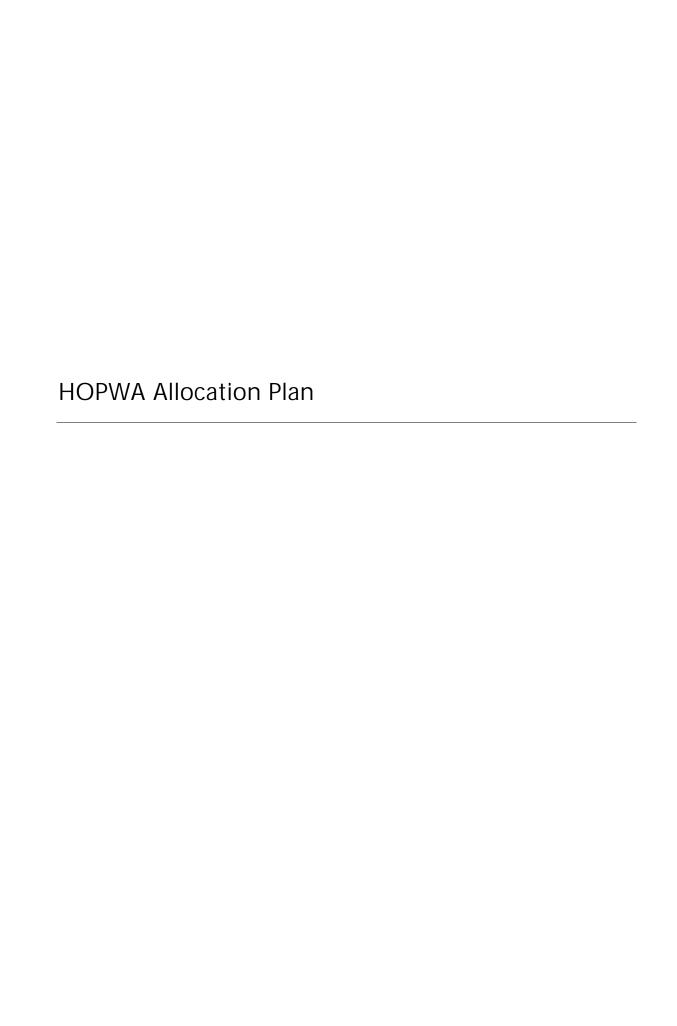
• Objective 3:		
Progress & Percentage:		
	_	
Agency Signature	Date:	
This report is to be submitted by the 10th of each month, b	peginning on August 10, 2004 and ending with July 10, 2006	
Please mail, fax or e-mail this report to:		
rieuse man, tax or e man ams report to.		
Lori Dimick, Emergency Shelter Grant Specialist		
Housing and Community Services		
402 West Washington Street, Room W-361		
PO Box 6116 - MS01		

Indianapolis, IN 46206-6116

Ldimick@fssa.state.in.us (317) 232-7117

Fax: 317-232-7079

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#### **Program Description and Allocation Plan**

#### Program Year 2004

#### **Housing Opportunities for Persons with AIDS (HOPWA)**

For additional information, visit us on the Internet at www.indianahousing.org or contact the following:

HOPWA Coordinator
Indiana Housing Finance Authority
30 South Meridian, Suite 1000
Indianapolis, IN 46204
(317) 232-7777 or toll-free (800) 872-0371
lcoffman@ihfa.state.in.us

The HOPWA program is a federally funded program governed by 24 CFR Part 574 through the United States Department of Housing and Urban Development (HUD). The HOPWA program provides housing assistance and related supportive services for low-income persons with HIV/AIDS and their families. The Indiana Housing Finance Authority (IHFA) is the grantee for HOPWA for the State of Indiana (excluding the following counties Boone, Brown, Clark, Dearborn, Floyd, Franklin, Hamilton, Hancock, Harrison, Hendricks, Johnson, Marion, Morgan, Ohio, Putnam, Scott, Shelby and Washington).

For Fiscal Year 2004, the State of Indiana will have \$2,044,104 in HOPWA funding. The state will receive \$836,000 in Formula HOPWA funding. There is \$810,920 available to allocate. In addition, the state will also receive a one-time allocation of \$1,134,586 in previously unexpended HOPWA funds. The state also has \$73,518 in unobligated HOPWA funds resulting in a total of \$1,171,860 in supplemental funding to allocate.

#### **Eligible Applicants**

- 1. Non-profit organizations that:
  - Are organized under State or local laws;
  - Have no part of its net earnings inuring to the benefit of any member, founder, contributor or individual;
  - Have a functioning accounting system that is operated in accordance with generally accepted accounting principles, or had designated an entity that will maintain such an accounting system;
  - Have among its purposes significant activities related to providing services or housing to persons with acquired immunodeficiency syndrome (AIDS) or related diseases;
  - Can demonstrate integration, or the willingness to partner, with the existing HIV/AIDS Continuum of Care in the local region;
  - Are eligible to participate in HUD programs (not on HUD's debarred list).

- 2. Governmental Housing Agencies that:
  - Are public housing authorities; or
  - Are units of government chartered by the chief executive to provide housing activities within the political jurisdiction.

#### **Method of Distribution – Forumla HOPWA Allocation**

IHFA will allocate the Formula HOPWA funds through a competitive process. If an application satisfies all applicable requirements, it will be evaluated and scored based on:

Capacity	50
Activity*	<u>50</u>
	Total Possible Points 100

\* Applicants applying for more than one activity will complete a separate activity application for each eligible activity they are applying for. IHFA will total the scores of all activities applied and average them resulting in one final score for activity.

Notwithstanding the point ranking system set forth above, IHFA reserves the right allocate funds irrespective of its point ranking, if such intended allocation is (1) in compliance with the applicable statutes; (2) in furtherance of promoting affordable housing; and (3) determined by IHFA's Board of Directors to be in the interests of the citizens of the state of Indiana.

The 2004 Formula Application has been available since March 26, 2004. Applications are due to IHFA on or before April 23, 2004. Funding announcements are tentatively scheduled to be made at the May 20, 2004 meeting of IHFA's Board of Directors. This date is subject to change. Applicants will be informed of any changes.

HOPWA funds were assigned by using ISDH's most current epidemiological data (December 2003) showing the current number of reported HIV/AIDS cases in each county. The total number of cases per county was assigned a percentage in relation to the total number of reported HIV/AIDS cases in all of the counties served by the state EMSA. Each county received a corresponding percentage of HOPWA funds. We then added the totals up of all counties in a region resulting in the final total for each region.

In the event of multiple applications from a region, IHFA reserves the right and shall have the power to allocate less funds than requested in an application. In order to ensure statewide access to HOPWA funds, IHFA utilizes the Indiana State Department of Health (ISDH) HIV Care Coordination Regions. IHFA has assigned a maximum funding amount available in each of the eleven regions of the state served by the Indiana HOPWA funds.

HOPWA CARE COORDINATION REGIONS		
Care Coordination Region 1	Lake, LaPorte, Porter	\$228,871
Care Coordination Region 2	Elkhart, Fulton, Marshall, Pulaski, St. Joseph, Starke	\$110,959
Care Coordination Region 3	Adams, Allen, DeKalb, Huntington, Kosciuskso, LaGrange, Noble, Steuben, Wabash, Wells, Whitley	\$103,451
Care Coordination Region 4	Benton, Carroll, Clinton, Fountain, Jasper, Montgomery, Newton, Tippecanoe, Warren, White	\$38,377
Care Coordination Region 5	Blackford, Delaware, Grant, Jay, Randolph	\$42,548
Care Coordination Region 6	Cass, Howard, Madison, Miami, Tipton	\$57,982
Care Coordination Region 8	Clay, Parke, Sullivan, Vermillion, Vigo	\$53,950
Care Coordination Region 9	Decatur, Fayette, Henry, Ripley, Rush, Union, Wayne	\$28,087
Care Coordination Region 10	Bartholomew, Greene, Lawrence, Monroe, Owen	\$55,062
Care Coordination Region 11	Crawford, Jackson, Jefferson, Jennings, Orange, Switzerland	\$11,959
Care Coordination Region 12	Daviess, Dubois, Gibson, Knox, Martin, Perry, Pike, Posey, Spencer, Vanderburgh, Warrick	\$79,674
_	TOTAL	\$810,920

Based on historical data, we estimate that the 2004 HOPWA funds will serve 634 households resulting in 464 receiving assistance with short-term rent, mortgage and utility assistance and 170 receiving tenant based rental assistance.

#### **Eligible Activities – Formula HOPWA Allocation**

- Housing Information
- Resource Identification
- Rental Assistance
- Rental Assistance Program Delivery
- Short-term Rent, Mortgage and Utility Assistance
- Short-term Rent, Mortgage and Utility Assistance Program Delivery
- Supportive Services
- Operating Costs
- Technical Assistance
- Administration

#### Method of Distribution - Supplemental HOPWA Funds

IHFA will allocate the Supplemental HOPWA funds through a competitive process. If an application satisfies all applicable requirements, it will be evaluated and scored based on:

Organizational Capacity 50
Activity Design\* 50
Total Possible Points 100

Applicants are encouraged to serve the entire region in which they are located. IHFA utilizes the Indiana State Department of Health Division of HIV/STD HIV Care Coordination Region.

HOPWA REGIONS	
Care Coordination Region 1	Lake, LaPorte, Porter
Care Coordination Region 2	Elkhart, Fulton, Marshall, Pulaski, St. Joseph, Starke
Care Coordination Region 3	Adams, Allen, DeKalb, Huntington, Kosciuskso, LaGrange, Noble, Steuben, Wabash, Wells, Whitley
Care Coordination Region 4	Benton, Carroll, Clinton, Fountain, Jasper, Montgomery, Newton, Tippecanoe, Warren, White
Care Coordination Region 5	Blackford, Delaware, Grant, Jay, Randolph
Care Coordination Region 6	Cass, Howard, Madison, Miami, Tipton
Care Coordination Region 8	Clay, Parke, Sullivan, Vermillion, Vigo
Care Coordination Region 9	Decatur, Fayette, Henry, Ripley, Rush, Union, Wayne
Care Coordination Region 10	Bartholomew, Greene, Lawrence, Monroe, Owen
Care Coordination Region 11	Crawford, Jackson, Jefferson, Jennings, Orange, Switzerland
Care Coordination Region 12	Daviess, Dubois, Gibson, Knox, Martin, Perry, Pike, Posey, Spencer, Vanderburgh, Warrick

Notwithstanding the point ranking system set forth above, IHFA reserves the right allocate funds irrespective of its point ranking, if such intended allocation is (1) in compliance with the applicable statutes; (2) in furtherance of promoting affordable housing; and (3) determined by IHFA's Board of Directors to be in the interests of the citizens of the state of Indiana.

Applications will be due to IHFA on June 4, 2004. Award announcements are tentatively scheduled to be made at the July 22, 2004 meeting of IHFA's Board of Directors. This date is subject to change. Applicants will be informed of any changes.

<sup>\*</sup> Applicants applying for more than one activity will complete a separate activity application for each eligible activity they are applying for. IHFA will total the scores of all activities applied and average them resulting in one final score for activity.

In the event that we are unable to allocate all of the HOPWA Supplemental funds, we would look to direct HOPWA resources on programming that addresses issues identified in the Indiana HIV/AIDS Housing Plan conducted by AIDS Housing of Washington for IHFA in 2002.

The five critical issues impacting affordable housing and supportive service delivery for people living with HIV/AIDS in Indiana are:

- Encouraging HIV/AIDS service providers to engage in statewide and local planning processes around affordable housing provision
- Affordability
- Barriers to achieving and maintaining housing stability
- Successful tenant-landlord relationships
- Access to community and support systems

#### **Eligible Activities – Supplemental HOPWA Funds**

- Acquisition, Rehabilitation, Conversion
- Housing Information
- New Construction
- Resource Identification
- Rental Assistance
- Rental Assistance Program Delivery
- Short-term Rent, Mortgage and Utility Assistance
- Short-term Rent, Mortgage and Utility Assistance Program Delivery
- Supportive Services
- Operating Costs
- Technical Assistance
- Administration

#### Indiana Housing Finance Authority 2004 Proposed HOPWA Allocation

### Housing Opportunities for Persons with AIDS (HOPWA) FY 2004 Formula Allocation

	7/1/03 - 2/28/04
Rental Assistance	\$391,489
Short-term Rent, Mortgage and Utility Assistance	\$171,732
Supportive Services	\$126,738
Housing Information	\$27,900
Project Sponsor Administration <sup>1</sup>	\$43,042
Resource Identification	\$500
Operating Costs	\$6,728
Technical Assistance	\$0
IHFA Administration <sup>2</sup>	\$23,760

Proposed	
PY 04	
\$405,000	48%
\$179,000	21%
\$130,000	16%
\$30,700	4%
\$58,520	7%
\$700	0%
\$7,000	1%
\$0	0%
\$25,080	3%
\$836,000	100%

Estimated	
PY 04 Units <sup>3</sup>	
170 households/units	
464 households/units	
295 households	
63 households	
N/A	
N/A	
5 units	
N/A	
N/A	
992 households 639 HOPWA-assisted units	

Supplemental	Allocation	5
--------------	------------	---

Acquistion, Rehabilitation, Conversion and New Construction 4
Rental Assistance
Short-term Rent, Mortgage and Utility Assistance
Supportive Services
Housing Information
Project Sponsor Administration <sup>1</sup>
Resource Identification
Operating Costs
Technical Assistance
IHFA Administration <sup>2</sup>

Total

Proposed Supplemental HOPWA Allocation <sup>6</sup>	
\$86,293	7%
\$127,257	11%
\$127,257	11%
\$289,945	24%
\$229,540	19%
\$82,030	7%
\$217,458	18%
\$12,081	1%
\$0	0%
\$36,243	3% 100%

Estimated		
Supplemental Units <sup>3</sup>		
2 units		
53 households/units		
330 households/units		
658 households		
471 households		
N/A		
N/A		
8 units		
N/A		
N/A		
1512 households		
393 HOPWA-assisted units		

#### Notes

- <sup>1</sup> HOPWA regulations allow project sponsors to use up to 7% of the allocation for administration.
- <sup>2</sup> HOPWA regulations allow grantees to use up to 3% of the allocation for administration.
- <sup>3</sup> The estimates are based on information from the 2003 CAPER and HOPWA Performance of Current Recipients through February 2004.
- 4 IHFA has not previously allocated funds to acquisition, rehabilitation, conversion and new construction. We estimate that funding will result in a minimum of 2 units.
- <sup>5</sup> This amount includes \$1,134,586.00 in supplemental HOPWA funds from HUD and \$73,518.00 in deobligated HOPWA funds by IHFA
- 6 This is the first year of allocating supplemental HOPWA funds. The estimates are based on summaries of public comments that IHFA received regarding the allocation of supplemental HOPWA funding.

Awards During PY 03

49%

22%

16%

4% 5%

0% 1%

0%

3%

100%

\$791,889

# APPENDIX H. HUD Regulations Cross-Walk

## APPENDIX H. HUD Regulations Cross-Walk

This appendix refers the reader to those sections in the 2004 Consolidated Plan Update that are intended to fulfill Sections 91.300 through 91.330 of HUD's regulations governing the contents of the state-level consolidated submission for community planning and development programs. Specifically, the bold and italicized text following each subsection refers to a textual location in the Consolidated Plan Update.

Subpart D – State Governments; Contents of Consolidated Plan

#### Sec. 91.300 General

- **(a)** A complete consolidated plan consists of the information required in Sections 91.305 through 91.330, submitted in accordance with instructions prescribed by HUD (including tables and narratives), or in such other format as jointly agreed upon by HUD and the State. *See Appendix H, all.*
- **(b)** The State shall describe the lead agency or entity responsible for overseeing the development of the plan and the significant aspects of the process by which the consolidated plan was developed, the identity of the agencies, groups, organizations and others who participated in the process, and a description of the State's consultations with social service agencies and other entities. It also shall include a summary of the citizen participation process, public comments, and efforts made to broaden public participation in the development of the consolidated plan. *See Section I and Appendix A, D and E, all.*

#### Sec. 91.305 Housing and homeless needs assessment

(a) General. The consolidated plan must describe the State's estimated housing needs projected for the ensuing five-year period. Housing data included in this portion of the plan shall be based on U.S. Census data, as provided by HUD, as updated by any properly conducted local study, or any other reliable source that the State clearly identifies and should reflect the consultation with social service agencies and other entities conducted in accordance with Sec. 91.110 and the citizen participation process conducted in accordance with Sec. 91.115. For a State seeking funding under the HOPWA program, the needs described for housing and supportive services must address the needs of persons with HIV/AIDS and their families in areas outside of eligible metropolitan statistical areas. See Sections II III, IV, and V, all.

**(b) Categories of persons affected.** The consolidated plan shall estimate the number and type of families in need of housing assistance for extremely low-income, low-income, moderate-income, and middle-income families, for renters and owners, for elderly persons, for single persons, for large families, for persons with HIV/AIDS and their families, and for persons with disabilities. The description of housing needs shall include a discussion of the cost burden and severe cost burden,

overcrowding (especially for large families), and substandard housing conditions being experienced by extremely low-income, low-income, moderate-income and middle-income renters and owners compared to the State as a whole. *See Section III, IV and V, all.* 

For any of the income categories enumerated in paragraph (b)(1) of this section, to the extent that any racial or ethnic group has disproportionately greater need in comparison to the needs of that category as a whole, assessment of that specific need shall be included. For this purpose, disproportionately greater need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic group is at least 10 percentage points higher than the percentage of persons in the category as a whole. *See Section III, IV and V, all.* 

- **(c) Homeless needs.** The plan must describe the nature and extent of homelessness (including rural homelessness) within the State, addressing separately the need for facilities and services for homeless individuals and homeless families with children, both sheltered and unsheltered, and homeless subpopulations, in accordance with a table prescribed by HUD. This description must include the characteristics and needs of low-income individuals and families with children (especially extremely low-income) who are currently housed but threatened with homelessness. The plan also must contain a narrative description of the nature and extent of homelessness by racial and ethnic group, to the extent information is available. *See Section V, especially "Persons Experiencing Homelessness."*
- **(d) Other special needs.** The State shall estimate, to the extent practicable, the number of persons who are not homeless but require supportive housing, including the elderly, frail elderly, person with disabilities (mental, physical, developmental), persons with alcohol or other drug addiction, persons with HIV/AIDS and their families, and any other categories the State may specify, and describe their supportive housing needs. *See Section V, all.*

With respect to a State seeking assistance under the HOPWA program, the plan must identify the size and characteristics of the population with HIV/AIDS and their families within the area it will serve. See Section V, especially "Persons with HIV/AIDS."

**Lead-based paint hazards.** The plan must estimate the number of housing units within the State that are occupied by low-income families or moderate-income families that contain lead-based paint hazards, as defined in this part. *See Section IV, especially "Lead Safe Housing."* 

#### Sec. 91.310 Housing market analysis

- **(a) General characteristics.** Based on data available to the State, the plan must describe the significant characteristics of the State's housing markets (including such aspects as the supply, demand and condition and cost of housing). *See Sections III and IV, all.*
- **(b) Homeless facilities.** The plan must include a brief inventory of facilities and services that meet the needs for emergency shelter and transitional housing needs of homeless persons within the State. See Section V, especially "Persons Experiencing Homelessness."
- **(c) Special needs facilities and services.** The plan must describe, to the extent information is available, the facilities and services that assist persons who are not homeless but who require supportive housing, and programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing. *See Section V, all.*
- **(d) Barriers to affordable housing.** The plan must explain whether the cost of housing or the incentives to develop, maintain, or improve affordable housing in the State are affected by its policies, including tax policies affecting land and other property, land use controls, zoning ordinances, building codes, fees and charges, growth limits, and policies that affect the return on residential investment. *See Section IV, especially "Barriers to Housing Affordability."*

#### Sec. 91.315 Strategic plan

(a) **General.** For the categories described in paragraphs (b), (c), (d), and (e) of this section, the consolidated plan must do the following:

Indicate the general priorities for allocating investment geographically within the State and among priority needs.

Describe the basis for assigning the priority (including the relative priority, where required) given to each category of priority needs. *See Section VI*.

Summarize the priorities and specific objectives, describing how the proposed distribution of funds will address identified needs.

For each specific objective, identify the proposed accomplishments the State hopes to achieve in quantitative terms over a specific time period (i.e., one, two, three or more years), or in other measurable terms as identified and defined by the State. *See Section VI and Appendix G, all.* 

**(b) Affordable housing.** With respect to affordable housing, the consolidated plan must do the following:

The description of the basis for assigning relative priority to each category of priority need shall state how the analysis of the housing market and the severity of housing problems and needs of extremely low-income, low-income, and moderate-income renters and owners identified in accordance with Sec. 91.305 provided the basis for assigning the relative priority given to each priority need category in the priority housing needs table prescribed by HUD. Family and income types may be grouped together for discussion where the analysis would apply to more than one of them; *See Section VI*.

The statement of specific objectives must indicate how the characteristics of the housing market will influence the use of funds made available for rental assistance, production of new units, rehabilitation of old units, or acquisition of existing units. *See Section VI, and Sections III and IV for supporting market analysis and needs.* 

The description of proposed accomplishments shall specify the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined in Sec. 92.252 of this subtitle for rental housing and Sec. 92.254 of this subtitle for homeownership over a specific time period. *See Section VI*.

**(c) Homelessness.** With respect to homelessness, the consolidated plan must include the priority homeless needs table prescribed by HUD and must describe the State's strategy for the following:

Helping low-income families avoid becoming homeless;

Reaching out to homeless persons and assessing their individual needs;

Addressing the emergency shelter and transitional housing needs of homeless persons; and,

Helping homeless persons make the transition to permanent housing and independent living.

For all of the above, see Section V, "Persons Experiencing Homelessness," Section VI for related strategies, and Appendix G for allocated funds.

**(d) Other special needs.** With respect to supportive needs of the non-homeless, the Consolidated Plan must describe the priority housing and supportive service needs of persons who are not homeless but require supportive housing (i.e., elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addiction, persons with HIV/AIDS and their families, and public housing residents). *See Section V, all, Section VI for related strategies, and Appendix G for allocated funds.* 

- **(e) Non-housing community development plan.** If the State seeks assistance under the Community Development Block Grant program, the consolidated plan must describe the State's priority non-housing community development needs that affect more than one unit of general local government and involve activities typically funded by the State under the CDBG program. These priority needs must be described by CDBG eligibility category, reflecting the needs of persons of families for each type of activity. This community development component of the plan must state the State's specific long-term and short-term community development objectives (including economic development activities that create jobs), which must be developed in accordance with the statutory goals described in Sec. 91.1 and the primary objective of the CDBG program to develop viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for low-income and moderate-income persons. See Section III, especially "Community Development Needs," Section VI for related strategies, and actions, and Appendix G for allocated funds.
- **(f) Barriers to affordable housing.** The consolidated plan must describe the State's strategy to remove or ameliorate negative effects of its policies that serve as barriers to affordable housing, as identified in accordance with Sec. 91.310. *See Section IV, especially "Barriers to Housing Affordability."*
- **(g) Lead-based paint hazards.** The consolidated plan must outline the actions proposed or being taken to evaluate and reduce lead-based paint hazards, and describe how the lead-based paint hazard reduction will be integrated into housing policies and programs. *See Section IV*, "Lead Safe Housing."
- (h) Anti-poverty strategy. The consolidated plan must describe the State's goals, programs, and policies for reducing the number of poverty level families and how the State's goals, programs, and policies for reducing the number of poverty level families and how the State's goals, programs, and policies for producing and preserving affordable housing, set forth in the housing component of the consolidated plan, will be coordinated with other programs and services for which the State is responsible and the extent to which they will reduce (or assist in reducing) the number of poverty level families, taking into consideration factors over which the State has control. See Section VI, "Anti-Poverty Strategy."
- (i) Institutional structure. The consolidated plan must explain the institutional structure, including private industry, nonprofit organizations, and public institutions, through which the State will carry out its housing and community development plan, assessing the strengths and gaps in that delivery system. The plan must describe what the State will do to overcome gaps in the institutional structure for carrying out its strategy for addressing its priority needs. See Section VI, especially goals for enhancing the capacity of nonprofits in the state.
- **(j) Coordination.** The consolidated plan must describe the State's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health, and service agencies. With respect to the public entities involved, the plan must describe the means of cooperation and coordination among the State and any units of general local government in the implementation of its consolidated plan. See Section VI, especially goals for enhancing the capacity of nonprofits in the state.

- **(k) Low-income housing tax credit use.** The consolidated plan must describe the strategy to coordinate the Low-income Housing Tax Credit with the development of housing that is affordable to low-income and moderate-income families. *See Section VI, especially text related to Rental Housing Tax Credits.*
- **(I) Public housing resident initiatives.** For a State that has a State housing agency administering public housing funds, the consolidated plan must describe the State's activities to encourage public housing residents to become more involved in management and participate in homeownership. See Section VI for strategies for increasing homeownership and Appendix G for other related strategies.

#### Sec. 91.320 Action plan

The action plan must include the following:

(a) Form application. Standard Form 424.

#### (b) Resources

**Federal resources.** The consolidated plan must describe the federal resources expected to be available to address the priority needs and specific objectives identified in the strategic plan, in accordance with Sec. 91.315. These resources include grant funds and program income. *See Section VI and Appendix G, all.* 

**Other resources.** The consolidated plan must indicate resources from private and non-federal public sources that are reasonably expected to be made available to address the needs identified in the plan. The plan must explain how federal funds will leverage those additional resources, including a description of how matching requirements of the HUD programs will be satisfied. Where the State deems it appropriate, it may indicate publicly owned land or property located within the State that may be used to carry out the purposes stated in Sec. 91.1.

- **(c) Activities.** A description of the State's method for distributing funds to local governments and nonprofit organizations to carry out activities, or the activities to be undertaken by the State, using funds that are expected to be received under formula allocations (and related program income) and other HUD assistance during the program year and how the proposed distribution of funds will address the priority needs and specific objectives described in the consolidated plan. *See Appendix G.*
- **(d) Geographic distribution.** A description of the geographic areas of the State (including areas of minority concentration) in which it will direct assistance during the ensuing program year, giving the rationale for the priorities for allocating investment geographically. See Section VI for the State's overall distribution plan and Appendix G for program distribution plans.

- **(e) Homeless and other special needs activities.** Activities it plans to undertake during the next year to address emergency shelter and transitional housing needs of homeless individuals and families (including subpopulations), to prevent low-income individuals and families with children (especially those with incomes below 30 percent of median) from becoming homeless, to help homeless persons make the transition to permanent housing and independent living, and to address the special needs of persons who are not homeless identified in accordance with Sec. 91.315(d). See Section VI for related strategies.
- **(f) Other actions.** Actions it plans to take during the next year to address obstacles to meeting underserved needs, foster and maintain affordable housing (including the coordination of Low-Income Housing Tax Credits with the development of affordable housing), remove barriers to affordable housing, evaluate and reduce lead-based paint hazards, reduce the number of poverty level families, develop institutional structure, and enhance coordination between public and private housing and social service agencies and foster public housing resident initiatives. (See Sec. 91.315 (a), (b), (f), (g), (h), (i), (j), (k) and (l).) See Section VI for related strategies.
- **(g) Program-specific requirements.** In addition, the plan must include the following specific information:

**CDBG.** See Appendix G, CDBG documentation.

**HOME**. See Appendix G, HOME documentation.

**ESG.** The State shall state the process for awarding grants to State recipients and a description of how the State intends to make its allocation available to units of local government and nonprofit organizations. *See Appendix G, ESG documentation.* 

**HOPWA**. The State shall state the method of selecting project sponsors. *See Appendix G, HOPWA documentation.* 

#### Sec. 91.325 Certifications

See Appendix B for all Certifications.

(a) General. For all items in 91.325 (a)-(d), see Appendix B.

Affirmatively furthering fair housing. Each State is required to submit a certification that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the State, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.

**Anti-displacement and relocation plan.** The State is required to submit a certification that it has in effect and is following a residential anti-displacement and relocation assistance plan in connection with any activity assisted with funding under the CDBG or HOME programs.

**Drug-free workplace.** The State must submit a certification with regard to drug-free workplace required by 24 CFR part 24, subpart F.

**Anti-lobbying.** The State must submit a certification with regard to compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.

**Authority of State**. The State must submit a certification that the consolidated plan is authorized under State law and that the State possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

**Consistency with plan.** The State must submit a certification that the housing activities to be undertaken with CDBG, HOME, ESG and HOPWA funds are consistent with the strategic plan.

**Acquisition and relocation.** The State must submit a certification that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR part 24.

**Section 3.** The State must submit a certification that it will comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.

**(b) Community Development Block Grant program.** For States that seek funding under CDBG, the following certifications are required:

**Citizen participation.** A certification that the State is following a detailed citizen participation plan that satisfies the requirements of Sec. 91.115, and that each unit of general local government that is receiving assistance from the State is following a detailed citizen participation plan that satisfies the requirements of Sec. 570.486 of this title. *Also see Appendix D*.

#### Consultation with local governments.

**Community development plan.** A certification that this consolidated plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objective of the statute authorizing the CDBG program, as described in 24 CFR 570.2, and requirements of this part and 24 CFR part 570.

#### Use of funds.

**Compliance with anti-discrimination laws.** A certification that the grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.

#### Excessive force.

**Compliance with laws.** A certification that the State will comply with applicable laws.

#### (c) Emergency Shelter Grant program.

For States that seek funding under the Emergency Shelter Grant program, a certification is required by the State that it will ensure that its State recipients comply with the following criteria:

In the case of assistance involving major rehabilitation or conversion, it will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for not less than a 10-year period;

In the case of assistance involving rehabilitation less than that covered under paragraph (d)(1) of this section, it will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for not less than a three-year period;

In the case of assistance involving essential services (including but not limited to employment, health, drug abuse or education) or maintenance, operation, insurance, utilities and furnishings, it will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure as long as the same general population is served;

Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary;

It will assist homeless individuals in obtaining appropriate supportive services, including permanent housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living, and other federal, State, local and private assistance available for such individuals;

It will obtain matching amounts required under Sec. 576.71 of this title;

It will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project except with the written authorization of the person responsible for the operation of that shelter;

To the maximum extent practicable, it will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining and operating facilities assisted under this program, in providing services assisted under the program, and in providing services for occupants of facilities assisted under the program; and

It is following a current HUD-approved consolidated plan.

**(d) HOME program.** Each State must provide the following certifications:

If it plans to use program funds for tenant-based rental assistance, a certification that rental-based assistance is an essential element of its consolidated plan.

A certification that it is using and will use HOME funds for eligible activities and costs, as described in sections 92.205 through 92.209 of this subtitle and that it is not using and will not use HOME funds for prohibited activities, as described in Sec. 92.214 of this subtitle.

A certification that before committing funds to a project, the State or its recipients will evaluate the project in accordance with guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other federal assistance than is necessary to provide affordable housing.

**Housing Opportunities for Persons With AIDS.** For States that seek funding under the Housing Opportunities for Persons With AIDS program, a certification is required by the State.

Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Any building or structure purchased, leased, rehabilitated, renovated or converted with assistance under that program shall be operated for not less than 10 years specified in the plan, or for a period of not less than three years in cases involving non-substantial rehabilitation or repair of a building or structure.

**(e) HOPWA program.** For States that seek funding under the Housing Opportunities for Persons with AIDS program, a certification is required by the State that:

Activities funded under the program will meet the urgent needs that are not being met by available public and private sources; and

Any building or structure purchased, leased, rehabilitated, renovated, or converted with assistance under that program shall be operated for not less than 10 years specified in the plan, or for a period of not less than three years in cases involving non-substantial rehabilitation or repair of a building or structure.

#### Sec. 91.330 Monitoring

The consolidated plan must describe the standards and procedures that the State will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including the comprehensive planning requirements. See Section VI.